

SENATE.

SATURDAY, December 18, 1920.

(Legislative day of Thursday, December 16, 1920.)

The Senate reassembled at 12 o'clock meridian, on the expiration of the recess.

Mr. SMOOT. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ball	Hale	McNary	Smith, Ga.
Brandegee	Harris	Moses	Smith, S. C.
Capper	Harrison	Nelson	Smoot
Coff	Heflin	Norris	Spencer
Culberson	Henderson	Nugent	Townsend
Curtis	Kenyon	Overman	Trammell
Dillingham	Keyes	Page	Wadsworth
Edge	King	Phipps	Walsh, Mass.
Elkins	Kirby	Pittman	Walsh, Mont.
Fernald	Knox	Polindexter	Warren
Fletcher	La Follette	Pomerene	Watson
France	Lenroot	Ransdell	Wolcott
Frelinghuysen	McCumber	Robinson	
Gerry	McKellar	Sheppard	
Gronna	McLean	Simmons	

Mr. HEFLIN. My colleague [Mr. UNDERWOOD] is unavoidably absent because of serious illness in his family. He has a general pair with the junior Senator from Ohio [Mr. HARDING].

Mr. SMITH of South Carolina. I wish to announce the unavoidable absence of my colleague [Mr. DIAL].

Mr. NELSON. I desire to state that my colleague [Mr. KELLOGG] is detained by important business.

The VICE PRESIDENT. Fifty-seven Senators have answered to the roll call. There is a quorum present.

DISPOSITION OF USELESS PAPERS.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Navy, transmitting, pursuant to law, a schedule of useless papers devoid of historic value, accumulated in the files of the department, and asking for action toward their disposition, which was referred to a Committee on Disposition of Useless Papers in the Executive Departments, to be appointed by the Chair.

The VICE PRESIDENT appointed Mr. WALSH of Montana and Mr. FRANCE members of the committee on the part of the Senate, and ordered that the Secretary notify the House of Representatives thereof.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House had passed the bill (S. 4526) to amend section 501 of the transportation act, 1920.

ENROLLED BILLS SIGNED.

The message also announced that the Speaker of the House had signed the following enrolled bills, and they were thereupon signed by the Vice President:

H. R. 1865. An act for the relief of the Baltimore Dry Docks & Shipbuilding Co., owner of a dry dock at Baltimore, Md.;

H. R. 7900. An act for the relief of Rudolph L. Desdunes;

H. R. 12887. An act establishing the liability of hotel proprietors and innkeepers in the District of Columbia; and

H. R. 13264. An act to provide for the award of a medal of merit to the personnel of the merchant marine of the United States of America.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. PHIPPS:

A bill (S. 4670) authorizing the President to appoint Thomas F. Long a lieutenant (senior grade) in the United States Navy (with accompanying papers); to the Committee on Naval Affairs.

By Mr. OVERMAN:

A bill (S. 4671) to prohibit immigration for a period of five years; to the Committee on Immigration.

A bill (S. 4672) to provide that the United States shall continue its aid to the States in the construction of rural post roads, and for other purposes; to the Committee on Post Offices and Post Roads.

By Mr. WALSH of Massachusetts:

A bill (S. 4673) to reclassify laborers in the Post Office Department as post-office service clerks; to the Committee on Post Offices and Post Roads.

A bill (S. 4674) for the relief of the owner of the schooner *Mary Bradford Peirce*; to the Committee on Claims.

By Mr. FRELINGHUYSEN (by request):

A bill (S. 4675) to fix the metric system of weights and measures as the single standard for weights and measures; to the Committee on Standards, Weights, and Measures.

By Mr. PHIPPS:

A bill (S. 4676) to maintain the forest experiment station in the State of Colorado; to the Committee on Appropriations.

By Mr. SMOOT:

A bill (S. 4677) granting an increase of pension to Adolph Lochwitz (with accompanying papers); to the Committee on Pensions.

MILITARY STATUS OF DESERTERS.

Mr. MOSES submitted an amendment intended to be proposed by him to the joint resolution (H. J. Res. 382) declaring that certain acts of Congress, joint resolutions, and proclamations shall be construed as if the war had ended and the present or existing emergency expired, which was referred to the Committee on the Judiciary and ordered to be printed, as follows:

Provided, however, That nothing herein contained shall be construed as effective to terminate the military status of any person now in desertion from the military or naval service of the United States, nor to terminate the liability to prosecution and punishment under the selective-service law (act of Mar. 18, 1917) of any person who failed to comply with the provisions of said act.

CONVENTION OF AMERICAN INSTRUCTORS OF THE DEAF.

Mr. POMERENE submitted the following resolution (S. Res. 407), which was referred to the Committee on Printing:

Resolved, That the manuscript entitled "Proceedings of the twenty-second meeting of the convention of American Instructors of the Deaf, held at Mount Airy, Philadelphia, Pa., June 28 to July 3, 1920," transmitted to the Senate as provided for in an act approved January 26, 1897, be printed as a Senate document, with illustrations, and that 600 additional copies be printed and bound for the use of said convention.

DISCHARGE OF DISABLED EMERGENCY OFFICERS.

Mr. FLETCHER. I ask unanimous consent to have printed in the RECORD a very important letter from the War Department bearing on a subject in which a great many people are interested, the discharge of the emergency officers who are undergoing physical reconstruction in the Army hospitals. It is not a very long letter. I think it is a matter of very great importance, and I should like to have it printed in the RECORD.

There being no objection, the letter referred to was ordered to be printed in the RECORD, as follows:

WAR DEPARTMENT,
OFFICE OF THE SURGEON GENERAL,
Washington, December 14, 1920.

Hon. DUNCAN U. FLETCHER.

United States Senate, Washington, D. C.

MY DEAR SENATOR: The Surgeon General has requested me to acknowledge your letter of December 13, with inclosure from Capt. William H. Maxwell with reference to the discharge of emergency officers who are undergoing physical reconstruction in the Army hospitals. This question has constantly been one of the deepest concern to the medical officers of the Army, and the policy of this office has been to interpret most liberally any legislation or instructions regarding this matter.

The legislation under which the discharge of these officers from the military service is effected at present provides as follows:

"The President is authorized and directed to retain in service disabled emergency officers until their treatment for physical reconstruction has reached a point where they will not be further benefited by retention in a military hospital or in the military service."

It is the opinion of this office, which opinion is concurred in by the Secretary of War, that the proper interpretation of this clause, and the one which was contemplated by the Congress, is that disabled officers should be retained in military hospital so long as they are showing any improvement in their physical condition and also so long as their past medical record warrants the belief that improvement may be expected. When it becomes clear that the condition of any officer patient is growing worse month by month, or when it is apparent for a period of several months that no improvement is being made, and when in either instance the patient's condition fails to furnish any grounds for expecting improvement in the future, then it is believed that his treatment for physical reconstruction has reached a point where further benefit can not be expected by his retention in a military hospital or in the military service. Consequently, his discharge is indicated under the provisions of the law.

It is believed that the question of whether the patient needs further hospital treatment after discharge from the service has no bearing on the situation, since it may readily happen that hospital care for the remainder of the patient's life will be necessary, and yet his "treatment for physical reconstruction" has reached the point as indicated by the law. The decision as to whether this point has been reached is a matter of professional judgment, in which reliance must be placed mainly upon the views of the local medical officers who are in charge of the patients and have made a thorough study of their cases.

In rare instances when the condition has long been stationary, improvement may suddenly appear, but to retain all patients indefinitely, with only a vague hope of such a consummation in an occasional case, appears to be contrary to the intent of the existing law. The Congress has provided abundant facilities for the care and compensation of discharged officers and soldiers through the agency of the Bureau of War Risk Insurance, and it is the belief of this office that when the Medical Department of the Army has accomplished all that can be expected in the way of the physical reconstruction of our disabled military personnel, as indicated in the preceding paragraph, the indi-

viduals should be discharged from the military service and should pass into the care of that bureau.

Many officer patients have already been discharged from the military service under the conditions noted above and are now receiving compensation and hospital treatment from the Bureau of War Risk Insurance. To make any change at this time in the policy of discharging disabled officers when they have reached the condition noted, and to retain in military service for further treatment certain of those who are now patients in Army hospitals, would seem to discriminate in their favor as compared with officers already discharged whose cases presented equal claims for retention in the service, and this question has been gone into at this length, as importance is fully appreciated by this office.

It is believed that the interpretation of this act, as explained above, is the only one which can be reached, giving due weight to the interests of all concerned.

Very truly, yours,

S. J. MORRIS,

Lieutenant Colonel, Medical Corps.

PROTECTION OF MATERNITY AND INFANCY.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3259) for the public protection of maternity and infancy and providing a method of cooperation between the Government of the United States and the several States.

Mr. FRANCE. Mr. President, I desire to offer an amendment to the pending bill.

The VICE PRESIDENT. There is a pending amendment.

Mr. FRANCE. I was under the impression that the amendment of the Senator from Utah [Mr. SMOOT] had been agreed to.

The VICE PRESIDENT. It has not yet been agreed to. The pending amendment will be stated.

The ASSISTANT SECRETARY. On page 1 strike out line 10, and on page 2 strike out lines 1, 2, and 3, in the following words:

For the use of the Federal board of maternal and infant hygiene, for the administration of this act, and for the purpose of making such studies, investigations, and reports as will further the efficient administration of this act.

And insert:

For the use of the Children's Bureau, for the promotion of maternal and infant hygiene, for the administration of this act, and for the purpose of making such studies, investigations, and reports as will further the efficient administration of this act.

So as to make section 1 of the bill read:

That there is hereby annually authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sums authorized in section 2 of this act, to be paid to the several States for the purpose of cooperating with the States in promoting the care of maternity and infancy in the several States; to provide instruction in the hygiene of maternity and infancy, and the sum authorized in section 5 for the use of the Children's Bureau, for the promotion of maternal and infant hygiene, for the administration of this act, and for the purpose of making such studies, investigations, and reports as will further the efficient administration of this act.

Mr. SMITH of Georgia. Mr. President, I would like to know just what the amendment is. I was engaged at the moment and would like to have it stated again.

The VICE PRESIDENT. The Secretary will read again the pending amendment.

The Assistant Secretary again read Mr. SMOOT's amendment.

Mr. SMITH of Georgia. Mr. President, we have all received many letters about the bill and probably a number of us have written answers to them stating we would support it. I have done so. But the letters I have received describe the measure as one only intended to carry information to the country, and advice and instruction about maternity and the care of infants.

The bill goes much further and I can not vote for it unless it is amended. There is one-half of the bill that is pure socialism and can be made the basis justly of extension of governmental care to every individual case of sickness. If this bill passes in its present shape, we may, with equal propriety, extend Government care to every case of individual sickness that arises in the United States. If the Government is to take care of the individual in each case of sickness, then if the individual needs something to eat, the individual ought to be provided by the Government with what he needs to eat, and if the individual should be provided with what he needs to eat, then he should be provided with what he needs to wear.

Now, let us see if my criticism is just. I am cordially in favor of that part of the bill which would carry information and education on subjects embraced in the bill to the people of the States, in order that they may, as individuals, be better informed as to how to carry their individual responsibilities, but this bill goes far beyond that. It carries that provision, but it also has an additional provision which I did not suppose it contained at the time I wrote stating I would support the bill, the letters I had received asking me to support it having dwelt simply upon the feature of the bill providing for the dissemination of information on these subjects throughout the land, to better enable the individual to perform an individual responsibility. Section 8 contains this provision:

And the provision of medical and nursing care for mothers and infants at home or at a hospital when necessary, especially in remote areas.

Mr. SHEPPARD. Mr. President, will the Senator yield to me?

Mr. SMITH of Georgia. I yield.

Mr. SHEPPARD. The chairman of the committee, the Senator from Maryland [Mr. FRANCE], has indicated his willingness to accept an amendment eliminating that provision.

Mr. SMOOT. Do I understand the Senator from Texas to say that the chairman of the committee has accepted the proposition eliminating that whole section?

Mr. SHEPPARD. No; but eliminating the provision to which the Senator from Georgia makes objection.

Mr. SMOOT. Do I understand that the chairman of the committee has virtually accepted an amendment eliminating that provision wherever it may occur in amendments or otherwise?

Mr. SHEPPARD. Wherever that language appears in the bill as it is finally accepted by the Senate the Senator from Maryland will accept an amendment eliminating that clause.

Mr. SMITH of Georgia. I call attention to the clause in the amendment covering this subject, which also should be eliminated.

Mr. SHEPPARD. Exactly. We desire, however, to leave in the words "especially in remote areas," so that the instruction furnished will be available especially for remote areas.

Mr. SMITH of Georgia. To that I should not object.

Mr. SHEPPARD. I think if the Senator from Georgia would ask unanimous consent that that amendment be made the Senator from Maryland would accept it. If I remember correctly, he so advised me a few moments ago.

Mr. SMITH of Georgia. I am very much gratified to hear that.

Mr. WALSH of Montana. If the Senator from Georgia will pardon me, I rise to say that I understood the amendment tendered by the committee had been withdrawn, or at least that the chairman of the committee had signified his purpose to withdraw the amendment, allowing the matter to stand as the bill was originally drawn.

Mr. SHEPPARD. But the expression to which the Senator from Georgia is now referring is contained in the original section of the bill and also in the amendment.

Mr. WALSH of Montana. I appreciate that. The Senator should direct his attention, then, to the language as it is found in the original bill.

Mr. SMITH of Georgia. I was doing so. It was that language which I read.

Mr. SMOOT. In order that I may know what the agreement is, I desire to make an inquiry. As I understand, then, the Senator from Maryland, having the bill in charge, has consented to eliminate the words found on page 7, beginning in line 7, down to and including the word "areas," on line 10.

Mr. SMITH of Georgia. I understand the Senator from Maryland proposes to withdraw his amendment and go back to the original language of the bill and from the original language to strike out the words "and the provision of medical and nursing care for mothers and infants at home or at a hospital when necessary."

Mr. SMOOT. And also to strike out the words "especially in remote areas."

Mr. SMITH of Georgia. No; leaving in the language "especially in remote areas."

Mr. SHEPPARD. Yes; we wish to leave in the language "especially in remote areas."

Mr. SMITH of Georgia. Thereby providing for the scattering of information and furnishing knowledge in remote areas, but eliminating entirely the responsibility of caring for the individual case and limiting the bill to diffusing knowledge and education.

Mr. SMOOT. Mr. President, if that is to be done, then the bill should not carry the amount of appropriation which is provided for.

Mr. SMITH of Georgia. Let us get the language to which I have referred stricken out and take up the other matter afterwards.

The VICE PRESIDENT. Let the Chair get a little information about what the rules of the Senate are. Is it the rule of the Senate that the chairman of a committee and a Senator may agree as to the form a bill shall take?

Mr. SMITH of Georgia. Not at all; but if the chairman agrees, and the Senate is willing, I shall ask unanimous consent to amend the bill in the manner suggested. I was coming to that, and, if in order, I will make a request to that effect.

Mr. FRANCE entered the Chamber.

Mr. SHEPPARD. The Senator from Maryland is now here, and he can verify what I said a few moments ago.

Mr. SMITH of Georgia. I desire to say to the Senator from Maryland that it has been stated in his absence it was the purpose of those in charge of the pending bill to ask to withdraw the proposed substitute for the original language of section 8 and to amend the original language by striking out, in line 23, page 6, the words "and the provision of medical and nursing care for mothers and infants at home or at a hospital when necessary."

Mr. FRANCE. Mr. President, I do not consider that that amendment would materially injure the bill or defeat its purpose, and I myself do not feel like opposing it.

Mr. SMITH of Georgia. Mr. President, I ask unanimous consent to amend section 8 as originally introduced by striking out the language "and the provision of medical and nursing care for mothers and infants at home or at a hospital when necessary," the language being found in lines 23, 24, and 25.

The VICE PRESIDENT. Does the Senate desire to get rid of the pending amendment or not?

Mr. FRANCE. I hope that we may dispose of the pending amendment, and then, if that will be agreeable to the Senate, I should very much like to offer a few amendments to perfect the bill before we leave the committee amendments.

Mr. SMITH of Georgia. If unanimous consent is given to consider the amendment proposed by me, it will help us to act on the other amendments.

The VICE PRESIDENT. Is there any objection to passing over the pending amendment and proceeding to the consideration of the amendment offered by the Senator from Georgia? The Chair hears none. The question is on agreeing to the amendment offered by the Senator from Georgia to section 8 of the bill, which will be stated.

The ASSISTANT SECRETARY. On page 6, in the original text of the bill, beginning in line 23, after the word "methods," it is proposed to strike out "and the provision of medical and nursing care for mothers and infants at home or at a hospital when necessary."

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Georgia.

The amendment was agreed to.

Mr. SHEPPARD. Mr. President, a parliamentary inquiry. Has the Senate voted formally on restoring the original language of section 8 of the bill?

The VICE PRESIDENT. Unanimous consent was given to withdraw the committee amendment to that section. The pending amendment now is the amendment offered by the Senator from Utah [Mr. Smoot]. The question is on agreeing to that amendment.

Mr. HARRISON. I inquire what is that amendment? I have an amendment to propose, and I do not wish to be foreclosed on that proposition.

The VICE PRESIDENT. Does the Senator from Mississippi ask that the amendment be restated?

Mr. HARRISON. Yes.

The VICE PRESIDENT. The amendment will be restated.

The ASSISTANT SECRETARY. The pending amendment is the first amendment offered by the senior Senator from Utah [Mr. Smoot], which has been printed, namely, on page 1, to strike out all of line 10, and, on page 2, to strike out lines 1, 2, and 3 and substitute therefor the following:

For the use of the Children's Bureau, for the promotion of maternal and infant hygiene, for the administration of this act, and for the purpose of making such studies, investigations, and reports as will further the efficient administration of this act.

Mr. SMITH of Georgia. Mr. President, before that amendment is voted upon I wish to call attention to some other provisions of the bill. Section 2 carries an appropriation of \$480,000, \$10,000 of which shall be paid annually to each State. Then the section proceeds:

Provided, That there is also authorized to be appropriated for the use of the States, subject to the provisions of this act, for the fiscal year ending June 30, 1921, an additional sum of \$2,000,000; for the fiscal year ending June 30, 1922, the sum of \$2,400,000; for the fiscal year ending June 30, 1923, the sum of \$2,800,000; for the fiscal year ending June 30, 1924, the sum of \$3,200,000; for the fiscal year ending June 30, 1925, the sum of \$3,600,000; for the fiscal year ending June 30, 1926, the sum of \$4,000,000.

Mr. President, we have agreed that this work shall simply be educational work; that it shall be for the purpose of disseminating knowledge. When these large sums were put into this bill it was with the idea of treating individual cases.

Mr. SHEPPARD. Mr. President, that was not the idea. The treatment of individual cases was never intended to amount to more than a very secondary and exceptional consideration. The additional amounts are dependent on the appropriation of an equal amount by the States. The question was carefully gone into as to what might be needed to provide sufficient information to the various consultation and health centers in the various States.

Mr. SMITH of Georgia. Does the Senator think it would take \$8,000,000 annually simply to carry information and instruction on the subject?

Mr. SHEPPARD. That was the conclusion of those who looked into the matter very carefully.

Mr. SMITH of Georgia. It had occurred to me that, limiting the scope of the bill to the furnishing of information, we could afford to make the first appropriation \$500,000 instead of \$2,000,000, which would really make \$480,000 from the National Treasury, \$10,000 to go to each State without regard to an appropriation by the State, and \$500,000 conditioned upon appropriations from the State, giving a total of \$1,480,000. I should think instruction upon this subject could be given pretty generally with such an appropriation. I was above all things interested in removing that part of the provision of section 8 which has been eliminated. I am cordially in favor of carrying the educational work on this subject to the people. We can not do too much, with the States duplicating our contribution, to carry information and to carry instruction, leaving finally the individual responsibility of the citizen remaining on him, according to the plan of our Government from the time our Constitution was adopted.

Mr. FRANCE. Mr. President—

The VICE PRESIDENT. Does the Senator from Georgia yield to the Senator from Maryland?

Mr. SMITH of Georgia. I yield to the Senator.

Mr. FRANCE. Does not the Senator think that that is a very drastic reduction?

Mr. SMITH of Georgia. I am not pressing it. I just threw out the suggestion. I will not offer an amendment myself. I was just asking, for information, whether \$1,480,000 spent each year would not carry the information; but, if it would not, I do not want the amount reduced so much. I regard it as most valuable that the information should be given.

Mr. FRANCE. I feel, personally, that that reduction would be altogether too drastic. If the Senate should feel that there ought to be some reduction, we might consider the advisability of making some reduction in the appropriation; but I do feel that to make a reduction of 75 per cent would be really going too far, because the cost of printing and the cost of stationery and clerical salaries runs into money very rapidly when the whole country is to be covered. I hope the Senator will consider that phase of the matter.

Possibly a 25 per cent reduction would be wise at this time; I mean to say, the Senate might feel that it would be. Personally, I should prefer to see the figures as they are. We have considered the amounts very carefully, and we feel that these amounts are the proper ones.

Mr. BRANDEGEE. Mr. President, will the Senator let me ask him a question there? Inasmuch as the Senate rules provide with regard to the consideration of regular appropriation bills that no appropriation shall be made except what has been estimated for by some responsible department, may I ask who made the estimates from which these figures of \$2,000,000 and \$4,000,000 resulted? The Senator from Texas says he understands the matter has been very carefully considered and looked into. By whom?

Mr. SHEPPARD. By the Children's Bureau.

Mr. BRANDEGEE. And is it the opinion of the Senator that the Children's Bureau thought these amounts to be appropriated annually—such amounts as \$2,000,000 and \$4,000,000—were required simply for sending out circulars and literature on these questions?

Mr. SHEPPARD. That was the idea, because the work is to be in cooperation with all the States of the Union.

Mr. BRANDEGEE. They allowed nothing, then, for doctors' bills for women and children, which was contained in the language which has been stricken from the bill?

Mr. SHEPPARD. That was considered to be a very small part of the matter, and was not principally in contemplation at all.

Mr. BRANDEGEE. Whether it would be small or very large would depend upon the extent to which it was applied, of course, would it not—the number of doctors employed?

Mr. SHEPPARD. It was not intended to apply that phase of the bill extensively at all, but only to apply it in exceptional cases, in remote districts.

Mr. BRANDEGEE. The bill says "especially in remote areas," but it is not limited to that. But the Senator is perfectly satisfied, as I understand, to have that go out?

Mr. SHEPPARD. Exactly; and we will not object to a reduction in the appropriation, only we do not want too great a reduction made.

Mr. SMOOT. Mr. President, the amendment that has been adopted, in my opinion, takes out at least three-fourths of the expense that would be incurred under this bill.

Mr. SHEPPARD. Not at all, I will say to the Senator. Only a small part of the moneys available was intended to be used for medical and nursing care.

Mr. SMOOT. Does the Senator really think, then, that \$8,000,000 can be spent annually for the dissemination of information and education?

Mr. SHEPPARD. That is my idea; but, as I say, if the Senator will submit a reasonable amendment, I think there will be no objection.

Mr. SMOOT. Of course, the amendment that was offered and agreed to here seems to me about the only thing we are going to get out of the bill. The Surgeon General of the Public Health Service was in my office not two hours ago, and he said that the Public Health Service was giving information along this line in connection with the Public Health Department of the Government, but I said that the bill went further than that, and, of course, it did originally; but now it is confined to the educational features of the health of the people and the maternity activities. Now, it does seem to me that it would be impossible to spend \$8,000,000 a year for that purpose. I can not see how it is possible to do it. Why, we think we turn out a great deal of stuff down here at the Government Printing Office, but the entire appropriations for the Printing Office are not \$8,000,000, for everything; so I think the Senator, now that that amendment has been made, has placed the bill in such a position that the appropriation needed will be very small, indeed.

Mr. SHEPPARD. I will say to the Senator that only the smallest part of this fund was to be expended for actual medical and nursing care. It was the object of those who prepared the bill to make the measure principally a matter of information and instruction, and it was their opinion that it would require something like this sum to cooperate effectively with the various States in distributing this information. If the Public Health Service has been engaged in this work, it has been duplicating work unnecessarily.

Mr. FRANCE. Mr. President, this bill seems to be entirely misunderstood by the Senate. It would be very gratifying, indeed, if Senators would consider carefully the language of the bill, and then its purpose, I think, would be quite apparent, and the necessity for the appropriation would be as evident.

This is not a bill to provide printing and stationery, nor is it a bill to provide hospitals. It must be apparent to all of the Senators that this appropriation would be necessary to provide for hospitals if we were planning to take care of these patients in hospitals. On the other hand, it is apparent that the appropriations are too large for the mere carrying of printed information. It is not, however, a bill to provide hospitals. It never was a bill for that purpose. It was thought wise by those who know of the situation which exists in remote areas to grant permission under the bill for giving to the exceptional case hospital care. I anticipated that perhaps there might be four or five cases in a State where it would be necessary to take a poor woman from a remote region and bring her in to some center where she could have treatment which otherwise she would not be permitted to have. I did not anticipate that there would be more than four or five cases in a State where hospital care would be actually given; but attention to the language of section 8 will show that the chief purpose of the bill, which is stated first, is the provision of instruction in the hygiene of maternity and infancy through public-health nurses.

Mr. SMITH of Georgia. Mr. President, I yield to the Senator from Maryland.

Mr. FRANCE. I ask the Senator's pardon. I thought the Senator had finished.

I might go into the methods which are employed in carrying on instruction through public-health nurses, but I hardly feel that it is necessary to do so. I think most of the Senators are familiar with the methods employed by the community nurse who goes from house to house giving instruction, giving a little care to one patient and a little care to another patient, and giving instruction both to patients and to their friends. It is the ideal method of instructing, but it is a very expensive method. It is, however, the only method which will meet the situation. Many of the patients who are in need of the information are unable to read and write, to the disgrace of our country. There ought not to be any adult person in the United States unable to read and write, and it is chargeable to a false economy that we have thousands and hundreds of thousands of white men and white women in this country unable to read the very pamphlets which are printed here, and the knowledge of which would often save lives. Many of these patients are unable to read and write because of the negligence of the legislative bodies of the United States, and it is only through the human agency of nurses that we can convey this information, and that is a very expensive method of conveying information. I could very quickly figure

up the number of nurses that would be required to carry on this work, and you would see how really inadequate the fund is for carrying on instruction in this way.

Of course, we anticipate that there will be the use of the other method, the sending out of information through circulars and other suitable methods, perhaps by the moving picture, which is a wonderful agency, an agency which we have hardly come to appreciate as an influence for education. All of these methods will be used, but the chief expense will be for the dissemination of information through the community nurses.

I hope that explanation will make it clear to the Senators why this appropriation is not, after all, so large a one as it would at first seem. Certainly it would be far too much if we were planning to use only the printed page. We are planning to use the nurse, the most satisfactory agency through which knowledge of hygienic questions can be disseminated.

I beg the pardon of the Senator from Georgia. I was under the impression that he had yielded the floor, and that the Senator from Utah had taken the floor from him. I shall be very glad, indeed, to hear the Senator continue, if he wishes to do so.

Mr. SIMMONS. I would like very much to have the attention of the Senator from Maryland for a moment. I wish to ask the Senator from Maryland why it is necessary to provide appropriations in this bill for more than the first year. I doubt very much whether there has been any very accurate estimate made in this particular case. I do not see how any accurate estimate could be made in advance of putting the act into operation. I think the purposes the Senator and the other advocates of the bill have in view would be subserved by an initial appropriation. Then opportunity would be given, after the system is put into operation, for an accurate estimate as to what would probably be the reasonable cost of the continuance and proper expansion of the system.

I think we ought to be very liberal in the first appropriation. It is possible it might be disclosed that the appropriation is more than is necessary. It might be disclosed that it was very much less than was necessary. Future Congresses having correct information before them would undoubtedly deal liberally and generously in appropriating for this very laudable purpose.

Mr. FRANCE. I appreciate the feeling of the Senator from North Carolina, and, personally, I would not have opposed an amendment confining the appropriations to the first year or two. But when I talked over such an amendment with Senators, some of them expressed the view that if the appropriations were not named for the future years the expense for carrying on the work would be greater than even the amounts named in the bill.

Mr. SIMMONS. Possibly.

Mr. FRANCE. Some of the Senators said they would be unwilling to accept such an amendment, because they feared that in a few years the work would grow so large that even \$4,000,000 would be inadequate.

Mr. SIMMONS. Does not the Senator know that if it should develop that the cost would be very much greater than the amount prescribed in the bill applications would be made to Congress to increase the appropriations? We will have it in our power to regulate the amount we finally appropriate so as to fit the situation as it develops.

Mr. FRANCE. Mr. President, in reply to the question of the Senator from North Carolina I would say that, personally, I always hesitate to attempt to bind a future Congress. It seems to me, generally speaking, that it is unwise for one Congress to attempt to bind a future Congress.

Mr. SIMMONS. That is what you are doing in this bill.

Mr. FRANCE. I myself would be inclined to favor the suggestion of the Senator, but it is true that when the friends of the bill considered accepting such an amendment, some Senators stated that they were unwilling to agree to such an amendment, fearing that the appropriations would grow even beyond the amounts mentioned in the bill for the future years.

Mr. SIMMONS. I want to say to the Senator from Maryland that if the need for increased appropriations develops, I want to have them increased; they ought to be increased, and they will undoubtedly be increased.

Mr. SMOOT. Mr. President, I will say to the Senator from Maryland that I suppose I was the one he had reference to as not approving the plan of cutting these appropriations down in future years. If we were going to provide for medical and nursing care for mothers and infants at home and at hospitals when necessary, I knew that the \$3,000,000 would not be enough, and I wanted it specifically stated in the law. But now that that is cut out I think the proposition as originally submitted by the chairman of the committee, to make the appropriation not to exceed \$1,000,000 for the beginning of the work, would be perfectly satisfactory, and then each year it would be appro-

printed for on estimates the same as any other estimate which comes to Congress for an appropriation.

Mr. SHEPPARD. Mr. President, permit me to suggest that there is an amendment pending, and if the Senate will proceed with that amendment perhaps we may reach some arrangement in the meantime with regard to this section.

Mr. FRANCE. May we not have a vote now upon the pending amendment?

Mr. SMITH of Georgia. Mr. President, will the Senator from Utah [Mr. Smoot] tell us how much we appropriate for the entire Public Health Service?

Mr. SMOOT. Does the Senator mean for the whole Public Health Service?

Mr. SMITH of Georgia. For the Public Health Service.

Mr. KING. Administrative work.

Mr. SMOOT. As I remember, less than \$20,000,000.

Mr. SMITH of Georgia. For the Public Health Service?

Mr. SMOOT. Yes.

Mr. THOMAS. I think the chairman of the committee yesterday stated that last year it was \$13,000,000, and they now ask for \$18,000,000.

Mr. SMOOT. Of course, that is outside of the War Risk Bureau.

Mr. SMITH of Georgia. I would like to ask the Senator from Utah if this modification of his amendment might not appeal to him. In the bill as it was drawn we provided for a board, composed of the Secretary of Labor, the Chief of the Children's Bureau, who should be the executive officer, the Surgeon General of the United States Public Health Service, and the United States Commissioner of Education. The work as we finally are planning it is to be educational work. To some extent it is entirely possible that the Commissioner of Education touches it. Undoubtedly to a great extent the Surgeon General of the United States Public Health Service handles it. You make the Chief of the Children's Bureau the executive officer. The object of the Senator from Utah was to prevent the creation of a new bureau. Would it not be well to leave this board and add at the end of the clause of section 3 "the work of said Federal board shall be conducted through and by the Children's Bureau"? That would prevent the establishment of another bureau, and yet it leaves in the board the men who are touching the same line of work elsewhere; and would it not help avoid duplication?

Mr. SMOOT. Mr. President, I do not see that it would, and not only that, whoever administers this law we want to hold responsible for it. When the appropriations are asked for we want to call somebody before the Appropriations Committee who knows the detail of the expenditure of the money and what they are going to do with the appropriations asked for. I know that the Secretary of Labor can not give attention to this matter. I know that the Commissioner of Education can not do so. It does seem to me that if we are going to have it administered it ought to be administered by some authority which has the direction of all the activities under the bill, and I am fearful that if that plan is adopted there will be created another bureau within a bureau, directed by the board spoken of by the Senator.

Mr. SMITH of Georgia. What I am really seeking is to provide that the Surgeon General shall have something to do with it.

Mr. SMOOT. I know that, and I want to say to the Senator that since this amendment has been agreed to there is more real reason why the Surgeon General should have direct control of it than there was before. But even now I think the best thing to do, Mr. President, under the reorganization is that it should go to the Children's Bureau.

Mr. SMITH of Georgia. Mr. President, I do think, with the Public Health Service organized with great physicians, great doctors, at its head, with an expenditure of approximately \$20,000,000 a year on the Public Health Service, with no information to us that they are not already engaged in the study and distribution of information on this subject, clearly what we do ought to be supplementing what they are now doing if we wish to derive the greatest possible benefits from the appropriations we make. To take this scientific question, this problem that is a part of all medical research, and turn it over to the Children's Bureau instead of the Public Health Service is hardly defensible. I can not help thinking it would be better to retain the Surgeon General connected with this work, and to have the benefit in this work of the great organization we have all over the country of able physicians, now a part of the Public Health Service. I think it is a mistake to put it simply under the Children's Bureau; that we at least ought to leave the Secretary of Labor out, and have a board with the Surgeon General on it, even though it is administered finally under the Children's Bureau.

Mr. KING. Mr. President, I would like to ask my colleague, in view of this suggestion, what objection there could be to giving the work of this organization to the Surgeon General, and authorize him to utilize the Children's Bureau as the chief executive authority? That would then fix the responsibility. I may say to my colleague that I do not quite agree with his position and with the suggestion made by the Senator from Georgia, that a new bureau would be created. It seems to me that the responsibility would rest upon those three. It would not be a new bureau, and they could enforce the provisions of the bill through the Children's Bureau.

Mr. SMOOT. Of course, Mr. President, I look at the bill entirely differently. I think there is not a question but that there would be a new bureau established.

In answer to the first question of my colleague, I will frankly say, as I did yesterday, that I think the administration of the bill under the Public Health Service would be more costly than under any service that might be asked to administer it. The Public Health Service, I think, is very liberal in the expenditure of public funds. I think there is more duplication of work in the Public Health Service than there is in any other bureau of the Government. When an investigation is made into all the details and activities of the Public Health Service I think it will be demonstrated beyond a doubt that there is a greater duplication of work there than in any other of the activities of the Government, and I do not feel that it is proper to place the administration of this law under the Public Health Service for that reason. I want to be frank and say that if we have a reorganization of the departments of our Government, this, with all the other great questions, must be considered. There has to be a skeleton of our form of government made, and then to that will have to be added the activities where they properly belong, and all duplication of work now so prevalent in all the departments of our Government must be eliminated.

Mr. OVERMAN. Rather than a duplication on the part of the Public Health Service of what other departments are doing, is it not true that other departments are duplicating work that the Public Health Service is doing?

Mr. SMOOT. There is no doubt about it. The Senator from North Carolina is a member of the Committee on Appropriations and we have had before that committee representatives from different departments, who have admitted and stated without a moment of hesitation that the duplication is beyond all reason. If there is any one thing that is needed now in the Government business, it is to begin a complete reorganization of all the departments of our Government and, if possible, to eliminate this duplication of work.

Mr. KING. Mr. President—

Mr. SMOOT. I thought if this were placed in the Public Health Service it would be an excuse for extending the activities of that service from one end of the land to the other, and perhaps salaries paid greater than are paid in any other of the departments or bureaus of our Government, and it would cost so much that I thought this was the most economical way of meeting the situation.

Mr. KING. If my colleague will allow me, I do not quite understand his logic. He has been contending here, as have other Senators, for a consolidation of activities of the Government and the bringing under one head of all the work of a given character. It has been shown in the Senate that there are large numbers of agencies in various departments of the Government that have more or less to do with the question of hygiene and sanitation and public health. If this consolidation shall be effected to which the Senator refers, then obviously all of these agencies ought to be consolidated under one head. You may call it public health or give it any other name, but I doubt not if this consolidation shall be effectuated that the work under this bill will be placed with the bureau or department or agency that has to do with public health in all parts of the United States.

Now, by the bill we are creating an agency which we will be bound, under the consolidation, to destroy and transfer from it to this consolidation the activities which are provided for under the bill. Why create another agency which we will have to destroy?

Mr. SMOOT. We have an agency now that is studying these very things, in fact two of them, outside of the Public Health Service. There is the Woman's Bureau that is studying these questions in detail. The Children's Bureau is also studying these questions in detail and is issuing pamphlets in education along the lines here contemplated. It does seem to me that rather than place this work now with a direct instruction to the Public Health Service to do the same thing, we had better utilize at least the agencies that we have in the Government to-day as far as education is concerned.

Mr. SMITH of Georgia. How would it do to put it in charge of a board or committee consisting of the heads of the Woman's Bureau and Children's Bureau and the Surgeon General and execute it through the Children's Bureau?

Mr. SMOOT. The only thing is that if we do that and have the board created they will want a building in the District of Columbia. I am positive of that, I will say to the Senator. I feel sure that that would happen and other—

Mr. SMITH of Georgia. I withdraw the shaking of my head. I think they will take anything we give them.

Mr. SMOOT. By way of rent, does the Senator mean?

Mr. SMITH of Georgia. I do not mean that. I mean the bureau will take any lodgment we give them and any space we give them and any building we may give them.

Mr. SMOOT. We have not any space to give it at the present time, unless we rent it. I know they would have to have space to begin with, and then there would be a complete organization, of course, and chief clerks and heads of divisions, and divisions created in that board, and there is no telling what the expense would be.

Mr. SMITH of Georgia. Has the Senator any doubt that the Children's Bureau will enlarge and spend every dollar which we give it, just as completely as any other agency?

Mr. SMOOT. I have not any doubt they will spend every dollar we may give them; but, at least, we will not have to have a chief of the Children's Bureau again, and we will not have to have her secretary, and we will not have to have a great many of the chief clerks that are already there. I am trying to cut out some of the expense, because every dollar we appropriate ought to go for the very purposes of the bill and not for the employment of extra help, whether it be in the Children's Bureau or whether it be a new board created or otherwise. If we are going to appropriate money, it ought to go for the purpose for which it is appropriated and not for the purpose of hiring extra help.

Mr. WADSWORTH. Mr. President, I have been much interested in listening to the discussion with respect to the duplication of effort in the various departments of the Government and in examining the amendment offered by the Senator from Utah [Mr. SMOOT]. As the discussion has been along this line, I wish to make a similar suggestion, and offer an amendment later on, as to what the effect of the bill will be in certain State governments.

Section 4 of the bill provides—

That in order to secure the benefits of the appropriations authorized in section 2 of this act, any State shall, through the legislative authority thereof, accept the provisions of this act and designate or authorize the creation of a State board of maternal and infant hygiene, consisting of not less than three members.

As I understand it, no State could have the benefit of the provisions of the bill unless it did that very thing. Now, the government of the State of New York has been tending toward the single-headed department in an endeavor to get rid of the inefficiency of commissions. As a result of that tendency some years ago the State department of health was established, headed by a State commissioner. I think I am well within the truth to say that there is not a finer State department of health in the United States. I wish to read to the Senate a very brief extract from the New York Legislative Manual, which describes the duties of the commissioner of health.

In the first place he receives an annual salary of \$8,000 and his expenses. He shall take cognizance of the interests of health and life of the people of the State and of all matters pertaining thereto. He shall exercise general supervision over the work of all local health authorities except in the city of New York. He is charged with the enforcement of the public-health law and the sanitary code. He shall make inquiries in respect to the cause of disease, especially epidemics, and investigate the source of mortality and the effect of localities, employments, and other conditions upon the public health. He shall obtain, collect, and preserve such information relating to mortality, disease, and health as may be useful in the discharge of his duties or may contribute to the promotion of health or the security of life in the State. He shall have general supervision of the State system of registration of births, marriages, and deaths, and prevalent diseases, and other functions which are not of interest on this occasion.

There is an agency up in the State of New York, and other States may have similar agencies, which is entirely competent to do any work contemplated in the pending bill. The budget of the State of New York has risen to a figure in excess of \$200,000,000.

The State government is in a very desperate situation with respect to its financial condition. The governor elect will endeavor, as soon as he takes office, to cut down that budget by seventy or eighty or one hundred million dollars, in an effort to

save money to the taxpayers and relieve the people of the burden of taxation.

Now, the pending bill, if the State of New York is to take advantage of it, would impose a new commission upon the State, which is utterly unnecessary. There is no need of it. The public-health commissioner of the State and his highly organized office could administer the provisions of the bill within the State of New York with the utmost ease, without incurring any additional expense worthy of consideration.

At the proper time, therefore, I am going to move an amendment to strike out the provision of section 4, which compels a State "to establish a board of maternal and infant hygiene, to consist of not less than three members," and merely state that the State shall designate or authorize a State agency, and let the State select one of its existing agencies, if it is competent to do the work or create a new one, if it has not one in existence.

Mr. SHEPPARD. Has the Senator observed the proviso in section 4, that "in any State having a child-welfare or child-hygiene division in its State board of health," and so forth? Would not that meet the condition in the Senator's State?

Mr. WADSWORTH. But it says "in its State board of health," and the State of New York has no board of health. There may be other States that have not; I am not sure.

I merely brought the matter up at this time because it was in line with the discussion indulged in by the two Senators from Utah.

Mr. WALSH of Montana. Mr. President, I inquire whether the whole thought could not be served by inserting the words "commissioner of health," so that it would read "in any State having a child-welfare or child-hygiene division in its State board of health or a commissioner of health."

Mr. WADSWORTH. The language will have to be changed in line 11, because that is mandatory. There it says they "shall designate or authorize the creation of a State board of maternal and infant hygiene." There it says the State shall "designate or authorize the creation of a State board of maternal and infant hygiene."

Mr. WALSH of Montana. But that is subject to the provision to which I have called the Senator's attention, namely, "Provided"—which is a qualification of what goes before—"That in any State having a child-welfare or child-hygiene division in its State board of health." If there is no State board of health in the State of New York, but the ordinary duties and functions of a State board of health are performed by the commission of health, why not just merely change it as I have suggested?

Mr. WADSWORTH. I was going to offer an amendment to that proviso also making it read as follows:

Provided, That any State having an agency in charge of child welfare or child hygiene, said State agency may be directed to administer the provisions of this act.

Mr. WALSH of Montana. I should think there would be no objection to that.

Mr. WADSWORTH. The Senator and I arrive at the same goal.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Utah.

Mr. SMOOT. If the Senator from Georgia [Mr. SMITH] were here, I was going to ask unanimous consent to offer another amendment at this time and have it voted upon before the pending amendment is voted upon. I think I shall do it, anyhow.

I ask unanimous consent to offer the following amendment. I will state that I do it at the request of those who are interested in the bill. I ask that it be read and agreed to.

The VICE PRESIDENT. The proposed amendment will be read.

The ASSISTANT SECRETARY. On page 2, it is proposed to strike out the proviso in line 12 to line 21, inclusive, and to insert the following:

Provided, That there is hereby appropriated for the use of the States, subject to the provisions of this act, for the fiscal year ending June 30, 1922, an additional sum of \$1,000,000, and annually thereafter a sum not to exceed \$1,480,000.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Utah.

The amendment was agreed to.

The VICE PRESIDENT. The question now is on the amendment of the Senator from Utah previously offered.

The amendment was agreed to.

Mr. HARRISON. Mr. President, section 8, as I understand, has not yet been adopted, has it?

Mr. SHEPPARD. I think it has.

Mr. HARRISON. The committee reported to strike out section 8 and to insert a substitute for it, which, as I understand, is still pending.

Mr. SMOOT. It is open to amendment.

Mr. HARRISON. It was amended in one particular, but is still open to amendment?

The VICE PRESIDENT. Yes; the original text of section 8 remains in the bill.

Mr. HARRISON. I desire to ask the Senator from Maryland, who is in charge of the bill, a question. Beginning on line 21, page 6, the bill now provides—
the provision of instruction in the hygiene of maternity and infancy through public-health nurses, consultation centers, and other suitable methods, especially in remote areas.

That is the way it reads after the amendment has been adopted; in other words, that "the provision of instruction in the hygiene of maternity and infancy through public-health nurses, consultation centers, and other suitable methods," is intended to be in remote areas or that the course of instruction shall be given in the rural sections of the country. That is what the bill purports to provide, is it not? I am asking the question because I think the language is a little ambiguous, especially the words "in remote areas." I do not understand what that means; whether it is a direction that that class of work is to be carried on out in the remote or rural sections of the country. As the Senator will understand, when we say "especially in remote areas," it might mean a direction and it might not.

Mr. BRANDEGEE. Mr. President, evidently, I think, that was intended to be coupled with the medical provision. If the provision regarding medical care has been stricken out, the words which the Senator from Mississippi is speaking of should also go out, because the education will be furnished to the remote sections as well as to the near sections.

Mr. HARRISON. I thought, perhaps, that it was desired to take care of cases out in the rural sections, and I was going to offer an amendment to strike out the words "especially in remote areas" and insert in lieu the words "in rural sections." Chicago might be remote from New York and New York might be remote from San Francisco; but if we desire to carry on this work in the rural sections, we ought to leave out the language "especially in remote areas"; we ought to leave no doubt about the intention and should merely say "in rural sections."

Mr. BRANDEGEE. But if the activities of the bill are confined to education, to the sending out of literature, there would be no further necessity for the inclusion of the words "in remote areas"; they should be stricken out.

Mr. SMOOT. They should be stricken out, as I suggested a while ago.

Mr. HARRISON. It is the intention, then, to strike out the words "especially in remote areas"?

Mr. FRANCE. If the Senator will make that motion—

Mr. HARRISON. I am opposed to striking out that language, because I think this work can be very serviceable in the rural sections, and I had thought that was what the committee had in mind.

Mr. FRANCE. It applies to all sections.

Mr. SMOOT. To the cities as well as to the rural sections.

Mr. HARRISON. It was not the intention, then, merely to leave it apply to rural sections or remote areas?

Mr. SMOOT. If the Senator will read all of the provision, beginning where the amendment was added, he will see that the punctuation shows that the words to which he refers specifically had reference to caring "for mothers and infants at home or at a hospital when necessary, especially in remote areas." In other words, in the cities there are generally hospitals, but in rural communities there are none. If, however, this work were to be extended, it was to be extended especially in remote areas. I have suggested to the Senator from Maryland that the language go out.

Mr. HARRISON. Then the Senator is going to make a motion to strike out the language "especially in remote areas"?

Mr. SMOOT. Yes.

Mr. HARRISON. I wish to make a motion to strike out, on lines 1, 2, and 3, page 7, that part of section 8 which reads:

If the Federal board finds these plans to be in conformity with provisions and purposes of this act, due notice of approval shall be sent to the State board.

That will remove the idea which was generally expressed yesterday in the debate, that the Federal Government would hold such a hand on the administration of this proposed legislation that it might dictate the manner of providing instruction or of disseminating information in the various States.

Mr. SHEPPARD. There must be some method of approval by the Federal agency before it can be determined whether or not the appropriation is available in accordance with the purposes of the act.

Mr. HARRISON. Then, does the Senator from Texas agree with the speech of the Senator from Connecticut [Mr. BRANDEGEE] yesterday, that we are going to lodge the power here, that we are going to standardize this work and make it a federalization scheme instead of being really a State work?

Mr. SHEPPARD. Not at all. This measure follows the plan that was adopted in the good-roads legislation and in the vocational-education legislation.

Mr. SMOOT. And wherever the Government has appropriated money to be expended in connection with money appropriated by the States. This is the exact provision found in other such cases.

Mr. HARRISON. If this provision is left in the bill now, there could be no doubt that the Federal board would have the right to say just how the money would be used in the various States.

Mr. SHEPPARD. Not at all.

Mr. HARRISON. And the manner of instruction.

Mr. SHEPPARD. Not at all.

Mr. HARRISON. And where the instructors shall go; what character of instructors shall be employed; what may be the color of instructors, and the class of institutions that may be included.

Mr. SHEPPARD. Not at all.

Mr. HARRISON. It seems to me that it is going pretty far to lodge such power here in Washington. It is provided in the beginning of section 8—

Mr. SHEPPARD. The function must be lodged in some Federal agency; there must be provided in the bill some method of determining whether a State is entitled to the Federal appropriation under the provisions of the proposed act.

Mr. HARRISON. Yes.

Mr. SHEPPARD. If the States submit a plan which comes within the provisions of the act, the Federal board has no discretion in the matter but must certify that it has complied with the terms of the act. The bill does not say that the Federal board must necessarily approve the plan. It is for them merely to find whether the plan devised by the local agency comes within the provisions of the proposed law. Some Federal agency must perform that function.

Mr. FLETCHER. May I suggest to the Senator from Mississippi that the language he is reading is not in the amendment which has been agreed to?

Mr. HARRISON. Yes; it was left in the bill; that part of it still remains.

Mr. FLETCHER. That part is still in the amendment?

Mr. HARRISON. Oh, yes.

Mr. FLETCHER. Is not that qualified by the last clause, beginning in line 10, which has been agreed to, as I understand, that "this work shall be carried on in such manner as may be mutually agreed upon by the Federal board and any State receiving the benefits of this act?"

Mr. SMOOT. That has been stricken out.

Mr. SHEPPARD. The original section 8 has been substituted for the amendment, I will say to the Senator from Florida.

Mr. HARRISON. The idea which we had yesterday, as I understood, in rejecting the substitute offered by the committee and going back to the original provision of section 8 was to get away from that thought, that the Federal Government should have too much of a hand in this proposition and might veto the work of the States. So, carrying out that idea, it seems to me that it would not affect the bill to strike out the three lines which read:

If the Federal board finds these plans to be in conformity with the provisions and purposes of this act, due notice of approval shall be sent to the State board.

Mr. FRANCE and Mr. WALSH of Montana addressed the Chair.

The PRESIDING OFFICER (Mr. NUGENT in the chair). Does the Senator from Mississippi yield; and if so, to whom?

Mr. HARRISON. I yield first to the Senator from Maryland.

Mr. FRANCE. Mr. President, the junior Senator from Utah spoke to me a moment ago with reference to this particular portion of the bill and called my attention to an amendment which he thought of offering, and which I think will improve the language and will meet the objection of the Senator from Mississippi.

Mr. HARRISON. What is the amendment?

Mr. KING. Mr. President, I confess to not being attentive to the suggestions of the Senator from Mississippi, but I was about to suggest, if I may be permitted to do so, the following amendment: In lines 1, 2, and 3, page 7, strike out the words "If the Federal board finds these plans to be" and substitute the words "If these plans are in conformity with the provisions

and purposes of the act, due notice of approval shall be sent to the State board."

Mr. SMOOT. But who will send them?

Mr. SHEPPARD. The words "by the Children's Bureau" should be added.

Mr. SMOOT. That will cover the point.

Mr. KING. I have no objection to those words being added.

Mr. HARRISON. Mr. President, the amendment of the Senator from Utah makes no essential change, so far as I can see. It means about the same thing. What I should like to get away from is the proposition that the Federal board here in Washington can determine the manner of carrying out the provisions of this bill by the State organizations.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. HARRISON. Yes.

Mr. LENROOT. Is the Senator in favor of the Federal Government appropriating millions of dollars without having any assurance that the real object of the bill is to be accomplished?

Mr. HARRISON. The bill at the beginning of section 8 provides:

That any State desiring to avail itself of the benefits of this act shall, by its board described in section 4, submit to the Federal board detailed plans for carrying out the provisions of this act.

Mr. LENROOT. Suppose the plans do not carry out the purposes of this act, must there not be somebody to determine that question?

Mr. HARRISON. Suppose my State, for instance, availing itself of the provisions of this bill and putting up its pro rata share of the money, should make certain plans which it thought carried out the provisions of the bill, indicating what character of instructors they would send out to inform the people, and the plan should come here, the State board in my State, thinking that they had complied with the provisions of this bill, the board here in Washington might think that the character of instructors in many instances was not just what the board thought it ought to be. There might be a difference in various ways. The Federal board might think that the instructors ought to be men, while the State board might think they ought to be women; the State board might think the instructors should be white, while the board here might think that it made no difference and that the instructors might be of different race. Under those circumstances the board here could say, "You have got to comply with our idea about this matter," and it could refuse to O. K. the plans until they had been changed accordingly. Does not the Senator think that is true?

Mr. POINDEXTER. Mr. President—

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Washington?

Mr. HARRISON. Yes.

Mr. POINDEXTER. I wish to ask the Senator from Mississippi a question. While I appreciate fully the force of the criticism he has made, is not the matter he is criticizing the inevitable result of vesting the Federal Government with jurisdiction over such subjects as that covered by the pending bill?

Mr. HARRISON. Yes.

Mr. POINDEXTER. If the Federal Government assumes jurisdiction over such matters it seems to me that the argument which the Senator from Mississippi is making is more of an argument against the policy than one which should be made against the measure after the policy has been adopted.

Mr. HARRISON. I agree with the Senator from Washington that the criticism very largely grows out of the policy now being pursued, but we wish to frame the bill so that there will be no dangers lurking in it, and I think I can see some dangers in the proposition to which I have called attention. The purposes of the bill are written in the bill itself and if we are going to so say that the States shall appropriate sums of money equal to those appropriated by the Federal Government to carry out these purposes we ought to leave it to the States to carry them out.

Mr. LENROOT. Why?

Mr. HARRISON. For the simple reason that I think the State knows how to do the work in the best manner and in a manner more agreeable to its particular people than would a board here in Washington.

Mr. LENROOT. Does the Senator think that the Federal Government should pay out the millions of dollars which are to be appropriated under this bill without any assurance or guaranty to the Federal Government that the object of the bill is to be accomplished, and that that question should be left to the States themselves?

Mr. HARRISON. The Congress is going to appropriate this money. I will not express any opinion as to whether they should do so, but they are going to do it. We ought to carry

on the work, in my opinion, through the States. The Senator thinks that it should be carried on through the board here. There is a difference of opinion as to that.

Mr. LENROOT. I should have to oppose the bill unless the Federal Government were given some control, for instance, by the approval of the plans, over the matter of the expenditure of the money. Otherwise, it would simply be a gift of so much money to the States.

Mr. WALSH of Montana. Mr. President, I want to say, before the Senator from Wisconsin quits the discussion of this subject, that I see no reason for the position that the adoption of the amendment proposed by the Senator from Utah would destroy the supervision of the General Government over this matter. That is not the purpose of the amendment suggested by the Senator from Utah at all.

Mr. KING. Mr. President, if the Senator will pardon me, I do not think the Senator from Wisconsin was combating the amendment which I had offered.

Mr. LENROOT. Not by anything I have said. In that connection, however, it seems to me that with the Senator's amendment the fact must exist, but if the Senator's amendment is adopted there is no one to ascertain the fact.

Mr. WALSH of Montana. That is not sound, it seems to me, and that is what I wanted to say in answer to the suggestion made by the Senator from Wisconsin. The plans must conform to the requirements of the act. Now, it is simply a question as to who shall determine whether they do conform or do not conform. Whether they do conform or do not conform is certainly a judicial question, and would be determined not by the Federal official who looks at it from the Federal aspect but by the court that looks at it from the standpoint of the meaning of the act. If the notice was not sent under plans which did as a matter of fact conform to the act, I apprehend that the Federal officer would be subject to mandamus compelling him to send the notice, and thereupon the court would determine whether the plans proposed were in conformity with the requirements of the act or not. So that it would not, as it seems to me, as implied by the remarks made by the Senator from Wisconsin, give carte blanche to the State to spend this money in any way it saw fit.

Mr. LENROOT. Oh, I make no such contention with reference to the amendment of the Senator from Utah. I was merely replying to the suggestion of the Senator from Mississippi; but as to the amendment of the Senator from Utah, it seems to me that does clearly make it a judicial question, while under the bill as it now stands it is not a judicial question.

Mr. WALSH of Montana. That is correct. That is, it is made an administrative matter instead of a judicial matter.

Mr. LENROOT. Yes, sir.

Mr. HARRISON. Mr. President, may we have the amendment suggested by the Senator from Utah stated from the desk?

Mr. KING. Mr. President, it is so hastily written that it is almost undecipherable, so I will read it:

If these plans are in conformity with the provisions and purposes of this act, due notice of approval shall be sent to the State board by the Chief of the Children's Bureau.

Mr. HARRISON. I think that is somewhat better than the other one.

The PRESIDING OFFICER. The amendment will be stated.

The ASSISTANT SECRETARY. Beginning with the word "especially," on line 25, page 6, it is proposed to strike out the comma before the word "especially" and the following words:

Especially in remote areas. If the Federal board finds these plans to be in conformity with provisions and purposes of this act, due notice of approval shall be sent to the State board.

And to insert:

If these plans are in conformity with the provisions and purposes of this act, due notice of approval shall be sent to the State board by the Chief of the Children's Bureau.

Mr. LENROOT. Mr. President, before that is voted upon I should like to ask the Senator from Maryland whether the policy of this bill was not to invest in the Federal board a wide discretion as to the approval of the details, and whether it was ever intended that the law itself should cover all of the things, or rather merely an outline?

Mr. FRANCE. The facts are as intimated in the question of the Senator from Wisconsin. It was the purpose to have the bill in a general way outline the work which was to be carried on, and discretion was to be left in the Children's Bureau as to the character of this work and as to the methods.

Mr. LENROOT. If this amendment is adopted, a plan might comply with the act itself in its general outlines and yet fall very far short of accomplishing any real good; might it not?

Mr. FRANCE. That is very true, as the Senator has said. On the other hand, it seems to me that the amendment of the Senator from Utah still leaves discretion in the Children's Bu-

reau, and yet it does not confer upon that bureau the arbitrary power, without any redress, to make a decision. I think the discretion still rests with the bureau, and I think the amendment of the Senator opens the way for an appeal to a court in the case of a controversy. In other words, it removes from the Children's Bureau any power to make a legal judicial decision; and I personally am opposed to lodging judicial power in any official or bureau if it can be avoided.

Mr. LENROOT. Mr. President, let me ask the Senator a question. The language of the original bill is—
finds these plans to be in conformity with provisions and purposes of this act.

The amendment would read:

If these plans are in conformity with the provisions and purposes of this act.

Now, the plans that might be submitted might be perfectly valueless, and yet in their general outline they might be in conformity with the provisions and purposes of this act, certainly not in conflict with them, and yet incapable of carrying out the purposes of the act.

Mr. FRANCE. Mr. President, I think the point made by the Senator from Wisconsin is a very good one, and it illustrates how the procedure would go on. Under those circumstances the Chief of the Children's Bureau would say: "These plans may conform to the provisions of the act, but I do not think so; I think they are not adequate. They are not effective. Your method of procedure would not secure the results"; and the State officials, if they felt otherwise, would have an opportunity to appeal to a court. In the last analysis we would have a judicial decision as to whether or not the plans were suitable and as to whether they were adequate, as well as in conformity with the purposes of the bill.

Mr. LENROOT. I think that might be true; and if this language were amended so as to read "in conformity with the provisions and adequate to carry out the purposes of this act," then you might have it; but as it now stands I think it would not go as far as it ought to go.

Mr. KING. Mr. President, I think the Senator from Wisconsin is indulging in hairsplitting, and yet I have no desire to offer any amendment that would permit any evasion. I think that if this bill is to be enacted into law its provisions and the purposes for which it is to be enacted should be observed. I would not tolerate any evasion by State officials in executing the provisions of this act in perfect good faith. I should be the last one to justify any improper construction of the act. If it is a good act it ought to be carried out, and the State officials ought, in a whole-hearted way, to cooperate with the Federal Government in the execution of the terms of the act; but the point I have in mind is this, and the Senator from Wisconsin doubtless has cognizance of that matter:

In many of these bills which have been passed where authority has been given to Federal boards sometimes incompetent and hypercritical and hypertechanical employees have refused to approve of the course of the States. I have in mind now two illustrations where the Federal officials have refused to approve of activities carried on by one State, which, in the judgment of competent men, measured up to the requirements of the statute, both in letter and in spirit. There is no appeal. The belief is that the Federal officials have acted in a capricious and in an arbitrary manner; and certainly the States ought to be protected against capricious conduct upon the part of Federal officials, because the Senator knows that the administration of these bills too often is placed in the hands of subordinates. Many of the subordinates are incompetent. If the chief had charge of the matter, there would be no controversy; but the responsible officer has not the power, it is not humanly possible, to give attention to all of the details of the plans and the organization. Therefore, subordinate officers are intrusted with the execution of the act; and, as I have stated, too often they are incompetent, and do act capriciously.

The amendment which I have offered is merely for the purpose of protecting the States against capricious action upon the part of the Federal Government. I can see no objection to my amendment, and yet I should not object to the amendment which has just been indicated by the Senator from Wisconsin.

The PRESIDING OFFICER. The question is on the amendment offered by the junior Senator from Utah [Mr. KING].

Mr. SIMMONS. Mr. President—

Mr. LENROOT. Mr. President, if I may ask the Senator from Utah a question before the Senator from North Carolina proceeds—

Mr. SIMMONS. Certainly.

Mr. LENROOT. Would the Senator be willing to accept this as a substitute:

If these plans shall be in conformity with the provisions of this act, and adequate to carry out its purposes, due notice of approval shall be sent by the State board.

Mr. SIMMONS. Mr. President, let me suggest to the Senator that that was my only purpose in rising, to suggest qualifying the word "adequate" there with the word "reasonably," so as to read "reasonably adequate" or "reasonably appropriate and adequate," which, I think, would be better.

I think the amendment quite important. I can see that under the amendment of the Senator from Utah a mere technical compliance on the part of the State in the appointment of this board, and the ordinary agencies which would accompany the execution of the functions of the board, might be held to be conformity on the part of the State, when as a matter of fact it would not provide any efficient scheme for carrying out the purposes of the bill. I think the Federal Government, when it appropriates these large sums of money in cooperation with the State, has the same right as the State to participate in determining the question of whether the State has adequately provided for the accomplishment, through its agencies, of the purposes of the legislation.

If the amendment offered by the Senator from Utah should be further amended by the language of the Senator from Wisconsin, I think it would perfectly safeguard the interests of the Federal Government; but I think if the language is not modified it would leave rather too broad a discretion in the board here in the matter of rejecting or approving the plan adopted by the State. Therefore, instead of the broad language, "plans adequate for the accomplishment of the purposes," I think it ought to be further modified by the use of the term "reasonably" or "appropriately adequate for the accomplishment of the purposes." That would to some extent limit and circumscribe the powers of the board at Washington and would indicate that it was our purpose and intent that they should approve the plan if it was reasonably adequate—not wholly adequate, but reasonably adequate—to accomplish the purposes of the act.

Mr. LENROOT. Mr. President, I offer as a substitute for the amendment of the Senator from Utah [Mr. KING] the amendment which I send to the desk.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. As a substitute for the amendment proposed by the junior Senator from Utah [Mr. KING] insert:

If these plans shall be in conformity with the provisions of this act and reasonably appropriate and adequate to carry out its purposes, due notice of approval shall be sent to the State board.

Mr. SHEPPARD. By whom?

Mr. LENROOT. By the Children's Bureau.

Mr. KING. By the Chief of the Children's Bureau.

The PRESIDING OFFICER. The question is on the substitute offered by the Senator from Wisconsin to the amendment proposed by the junior Senator from Utah.

Mr. KING. Let me ask the Senator from Wisconsin if he thinks, under the language of his substitute, there can be any doubt as to the power of the court to review the decision of the Chief of the Children's Bureau?

Mr. LENROOT. None whatever—by mandamus, if they refuse to approve.

Mr. KING. I so construe it, but if there is any doubt, it should be made clear.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. FRANCE. I send to the desk an amendment, which will take only a moment, as it is only a change of language.

The PRESIDING OFFICER. The Secretary will report the amendment.

The READING CLERK. On page 1, line 3, after the word "hereby," strike out the word "annually," and after the word "appropriated," in the same line, insert the word "annually."

Mr. KING. How will it read then, Mr. President?

Mr. FRANCE. That amendment is merely to correct a grammatical error.

The READING CLERK. So that it will read:

That there is hereby authorized to be appropriated annually out of any money in the Treasury not otherwise appropriated—

And so forth.

Mr. KING. Mr. President, I understood that the amendment offered by the senior Senator from Utah [Mr. Smoot], and which I understood had been formulated in cooperation with the Senator from Maryland [Mr. FRANCE], limited the appropriation to one year.

Mr. FRANCE. No; the Senator is in error about that. It did not do so. If the Senator would like to have it read, I should be very glad to have it read.

Mr. KING. No; if the Senator will just state what the substance of it was.

Mr. FRANCE. It provides \$1,480,000 for the first year, and \$1,480,000 for every year annually thereafter.

Mr. SIMMONS. Has not the Senator rather misstated that? I think it was \$1,000,000 for the first year and \$1,480,000 for each succeeding year.

Mr. FRANCE. Yes; it was an additional appropriation of \$1,000,000 for the first year.

Mr. KING. It is \$1,480,000 for the first year.

Mr. SIMMONS. No; \$1,000,000 and \$1,480,000 for every succeeding year.

Mr. FRANCE. I will call attention to the fact that \$1,000,000 is appropriated for the organization in the first year, and then, in addition to that, there was an appropriation of \$480,000.

Mr. SIMMONS. The Senator is correct. I was not including in my statement the \$480,000 appropriated in \$10,000 sums for each State for the first year.

Mr. KING. Then it is \$1,480,000 for a period of years.

Mr. FRANCE. Yes. We found, after consultation, that it would be better to continue the appropriation, for the reason that the States could not otherwise look forward to the organization of their cooperative work, and it seemed almost necessary to make the annual appropriations in order that the States might look forward to cooperate. I would have been perfectly willing to allow the future appropriations to rest in the hands of future Congresses, but it was impossible to formulate language which would enable the States to look forward in such a way that they could carry on their future cooperative work.

Mr. KING. Did the amendment which was adopted provide that the first appropriation would be available for the fiscal year 1922?

Mr. FRANCE. Yes.

Mr. SIMMONS. I wish to say that, while the amendment agreed upon with reference to the amount to be appropriated does not exactly conform to the suggestions which I made some time ago, I propose to accept the modification without controversy. Nevertheless, I think the Senators in charge of this measure have made a mistake in not leaving the appropriation for subsequent years open to the free action of subsequent Congresses. My own opinion about this measure is that it is one of great importance, it is work that is going to very rapidly expand, and it is going to develop that the amounts specified in the bill as amended will be wholly inadequate for the accomplishment of the great purpose in view. My hope was that no limitation would be placed upon the appropriations hereafter to be made in the interest of an expansion of this great work, believing, as I do, that in this case, as in other cases, when the system has been put into operation, the necessity of a greater amount of money will be disclosed, and estimates will be made by the department with an absolute assurance that if they are within reason they will be responded to liberally by the representatives of the people.

Mr. KING. Mr. President, will the Senator permit an inquiry there?

Mr. SIMMONS. Certainly.

Mr. KING. Does not the Senator think that Congress ought to convey the idea that this activity by the Government is going to expire within a reasonably short time, and that the importance of this work must be so apparent to the States that the States themselves will assume the obligation, realizing that under our form of government the duty rests upon the States not only to furnish education to the people, but to carry on work of this character whenever it is necessary? It seems to me the suggestions of the Senator would seem to indicate that the Federal Government is to commit itself for all time to this work, whereas I have been under the impression that it was to stimulate the States to activities, and that in the end they would assume the entire responsibility themselves, because under our form of government that responsibility ought to be assumed by the States.

Mr. SIMMONS. Mr. President, our experience heretofore has been that when the Federal Government engages in work of this kind it never gets out of it. I doubt very much if we start this method of dealing with this immense subject that the Federal Government will ever free itself from the obligations that it is now taking upon itself of contributing to the expenditures for this purpose.

But, Mr. President, if after we have tried it out it shall be the judgment of Congress at any future time that the Government has carried the scheme to a stage where the States should take it in hand, or if we should conclude that the States can manage it better than the Government, there would be no difficulty in Congress, by legislation, making that fully known by discontinuing the appropriation altogether.

The point I am trying to make is that the fact that we do not make an appropriation for subsequent years ought not to embarrass it at all in formulating the plans and entering upon the work, because I think that nobody will deny that Congress,

by making the initial appropriation, assumes the obligation of carrying on the work, if it is found desirable for Congress to carry it on, and to appropriate such sums of money as Congress, when advised by the bureau administering it, may find necessary to carry on the work. I would rather have it unlimited than to have it limited, especially when the limitation provides for as small a sum as this proposed amendment provides for. I do not know of any greater work that the Government could enter upon than this. We have entered upon similar work with reference to animal life, and we have seen the expense of that grow by leaps and bounds. We have found when we have gotten into the work that it requires much more money to carry it on efficiently than we had anticipated. But we have never hesitated to vote the amounts found to be necessary, and will not hesitate to do so in this case. If there is any case one can conceive of in which the Congress should not take a parsimonious attitude it is this case, dealing with child life, and dealing with the dangers of maternity. The only thing that is necessary is to develop in the execution of the work the benefits that are actually accruing as a result of the work. If that is done, Congress will respond liberally, and \$1,480,000 per year for this great work, to my mind, is parsimonious. I have not attacked the appropriation at any time upon the ground that it was too great. I want a small initial appropriation, but I want the doors left wide open to Congress, without any restrictions, without any limitations in the law, to meet the situation in the future by as liberal a provision as the exigencies of the case may require.

The PRESIDING OFFICER (Mr. KIRBY in the chair). The question before the Senate now is on the adoption of the amendment proposed by the Senator from Maryland [Mr. FRANCE].

The amendment was agreed to.

Mr. WADSWORTH. Mr. President, I intend to offer some amendments, but before doing so may I say that I have listened with a great deal of interest to the discussion which has gone on, especially as indulged in by some of the Senators who seem to think that later on, perhaps, Congress will decide that the States can do this work for themselves and will cease making appropriations. One of the most remarkable things in that discussion, Mr. President, is that those suggestions were made with perfectly straight faces. Once the appropriation is made, it will never stop, and we might just as well face that fact. Once the Federal Government adopts the policy of extending Federal aid to States, it will never stop the policy, nor will the States ever ask it to stop the policy. I think I can assure the Senator from Utah [Mr. KING] that that will be the fact. The only questions we have to determine are what are the proper functions for the Federal Government to undertake in this matter of Federal aid, and to determine how far the Federal Government shall go in each of these functions.

As I recollect it, the Federal Government to-day is extending financial aid to the States through the Interdepartmental Social Hygiene Board, which is endeavoring to eradicate diseases of vice in the States. It is cooperating with the State in a financial way in the matter of rehabilitation of those injured in industry. It is cooperating with the State, of course, in the matter of building highways.

Undoubtedly this legislation will go through, which brings the Federal Government into the extension of Federal aid in maternity and child-welfare cases. I would not be at all surprised if the passage of the bill were followed by a very rapid development or extension of Federal functions along these or similar lines; that in all probability this measure, when it is enacted into law, will be followed by some such measure as one calling for the extension of financial aid to the States in the matter of mothers' pensions and of widows' pensions, and that may very well lead to the extension of Federal aid toward helping in stamping out certain diseases, such as tuberculosis—there is already a movement on foot to bring that about—the elimination of cancer, and other misfortunes that afflict the human race.

I think we can well make up our minds, therefore, that the Federal Government is well embarked upon this policy and that the passage of the pending measure will not terminate the policy by any means.

The efforts that I am directing here toward amending the bill are in the interest of simplicity and saving money to the taxpayers, without in the slightest degree, in my humble judgment, hurting the bill itself. I think something should be left to the judgment of the States as to the character of the administrative machinery they are to set up. My amendments are meant to leave to the States that discretion, for I fear that the bill, if enacted in the form in which it is printed, would lead to the creation of a very large number of new political offices which I think are unnecessary.

In lines 11 and 12, on page 4, I move to strike out the words "board of maternal and infant hygiene, consisting of not less than three members," and insert in lieu thereof the word "agency," so that it will read:

That in order to secure the benefits of the appropriations authorized in section 2 of this act, any State shall, through the legislative authority thereof, accept the provisions of this act and designate or authorize the creation of a State agency with which the Children's Bureau shall have all necessary powers to cooperate as herein provided in the administration of the provisions of this act.

It is my purpose to move to strike out the next proviso, which becomes unnecessary and merely complicates the measure.

Mr. FRANCE. I will accept that amendment. I think it in no way interferes with the efficiency of the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from New York [Mr. WADSWORTH].

The amendment was agreed to.

Mr. WADSWORTH. I move to strike out the proviso which commences in line 15, page 4, of the bill, and which reads as follows:

Provided, That in any State having a child welfare or child hygiene division in its State board of health, the said State board of health may be directed to administer the provisions of this act through such divisions.

The amendment which has just been agreed to authorizes the State to designate any agency or to create any agency to do the work, and therefore the proviso is quite unnecessary.

Mr. FRANCE. I think if the Senator will consider that language very carefully he will see that it looks rather to economy than to extravagance. It looks to the utilization of the agencies which may be already in existence.

Mr. WADSWORTH. So does the language of the section as just amended.

Mr. FRANCE. I think the proviso might be stricken out in view of the language which has been presented by the Senator from New York and agreed to. At the same time, I think the language of the proviso does direct the attention of the States to the fact that they may utilize agencies already in existence. I will state in this connection that the amendment offered by the Senator from Utah [Mr. SMOOR] provides that the members of the advisory committee shall serve without pay.

Mr. WADSWORTH. I do not think the Federal Government has any right to say what the States shall do with their own employees in the matter of pay. If the Senator from Maryland will point out any power vested in Congress to forbid a State from paying its employees I should like to know what it is.

Mr. LENROOT. It may be one of the conditions of receiving this aid.

Mr. WADSWORTH. Is it intended that the conditions of receiving this aid go to the extent of regulating the salaries? I hope we have not reached that point.

Mr. LENROOT. It would be one of the conditions that these advisory committees shall serve without pay. It is not attempting to impose upon the States any regulation other than that they must do it if they secure Federal aid.

Mr. WADSWORTH. Then I am against the amendment of the Senator from Utah. We may have a right, by this enticement which we hold out to the States in the matter of financial assistance, to make certain rules and regulations, but are we going to clothe this Federal agency with the right to include a maximum and minimum of salaries which shall be paid by the State governments as a part of the regulations? I think we are going pretty far. Why not abolish the State governments?

Mr. THOMAS. Does not the Senator think that the Federal Government, in appropriating this money for the use of the States, may impose limitations upon the manner of its expenditure?

Mr. WADSWORTH. Yes; in the manner of the expenditure of the Federal Government's money.

Mr. THOMAS. I was going to follow up my suggestion by asking whether the addition of the words "from this fund" or "from this appropriation" would not cover the point. I quite agree with the Senator that we have no right to impose any limitations upon the salaries or compensation of State officials, but we can provide that they shall receive no pay from this appropriation.

Mr. WADSWORTH. I am heartily in favor of such an amendment. I had no idea that it rested in the mind of the Senator from Maryland [Mr. FRANCE] or the Senator from Wisconsin [Mr. LENROOT] that it was a part of the Federal regulations to fix the salaries of State employees. That had not occurred to me until it was just mentioned by them.

Mr. THOMAS. Most of the States are so anxious to get money out of the Federal Treasury that they are willing to concede almost anything.

Mr. WADSWORTH. That is perfectly true.

Mr. THOMAS. But I think the difference between us can be adjusted by inserting the words "from this appropriation" or "from Federal money."

Mr. FRANCE. I directed the attention of the Senator from New York to the fact that members of the advisory committees are to serve without pay because of the fear he has expressed that many new lucrative offices would be created as a result of the appropriation.

Mr. WADSWORTH. May I ask the Senator from Maryland who is to decide that they shall serve without pay?

Mr. FRANCE. The language of the bill, as amended by the amendment of the Senator from Utah, provides that the members shall give their services voluntarily and shall not be paid out of the proceeds of this fund.

Mr. WADSWORTH. In other words, the Legislature of the State of New York could pass a law creating these advisory committees, but it could not pay them if the Federal board said no. Have we reached that point? Why not make it a part of the provision here that this measure shall not be applicable unless there shall be no governor of the State of New York? Where are we going in this matter? Is there no discretion left to the States?

Mr. LENROOT. Will the Senator from New York yield?

Mr. WADSWORTH. Certainly.

Mr. LENROOT. The Senator objected a moment ago to this provision because it would increase the expenses of the State and create new offices. These advisory committees will not exist except under the provisions of the Federal law. It is not a State law, except to carry out the provisions of the Federal law.

Mr. WADSWORTH. If the Senator will allow me to finish, I will describe what I had in mind. I was going to move to strike out lines 19, 20, 21, 22, and 23, and the first two words in line 24, and leave it to the States themselves to decide whether they want State advisory commissions or local advisory commissions, or both, or to pay them or not, as they may choose.

I do not want it placed in the hands of the Federal Government to compel the appointment of local commissions by an order issued from Washington. I think it is going pretty far. Can we not leave that to the people of the States?

Mr. LENROOT. If the Senator's amendment is adopted it will open the door for the States very largely to increase their officials and their expenses through the provisions of this bill.

Mr. WADSWORTH. That is their business.

Mr. LENROOT. As it stands, it would prohibit that.

Mr. WADSWORTH. That is their business, not the business of the Federal Government. It is their money; they raise it by their taxation, and if they want to pay the members of their advisory committees, they may do so. I hope that they will not. The bill as it is printed opens the door to that thing because it confides to the Federal Government the power, first, to compel the States to have advisory commissions, and then, having provided that they must have them, the Federal Government turns around and says you must not pay them. I think that is pretty drastic treatment of a sovereign State. I do not think they should be compelled, in the first place, to have the commissions, but if they are compelled to have them, in the second place they ought not to be prevented from paying what they want to pay them. I do not see how it could affect the efficiency of the act.

Mr. FRANCE. If the Senator will yield—

Mr. WADSWORTH. Certainly.

Mr. FRANCE. I will say they are not compelled to adopt any of this proceeding, but they are compelled to do so if they accept the appropriations which are here made available to them under these conditions.

Has the Senator from New York considered this phase of the question? And I take the liberty of calling his attention to it if he has not, and that is the desirability of having some moderate degree of uniformity in the machinery which a State shall set up as compared with the machinery which shall be set up by another State, in order that there may be somewhat of a standardization of methods, of method of communication, of method of cooperation, of method of association, in case there should be at any time the need of calling the various States together to consult upon a common problem.

It was the thought, I think, in the minds of those who wrote this provision that it would be highly desirable to have some degree of uniformity throughout the States in the machinery, leaving, however, to each State a large amount of discretion as to the details in carrying out the work.

Mr. WADSWORTH. The bill would leave no such discretion as to details in the administration of the provisions of the measure inside of the State boundaries, but I think what the Senator refers to as uniformity in the operation of the pro-

posed law will be brought about by evolution and experience very shortly. However, I do not think we ought to put the whole thing in a strait-jacket in the beginning. I do not believe it is a necessary regulation, to wit, that the States must, if the board says so, appoint advisory committees, both State and local. There are some pretty big States in the Union.

I do not know exactly what the term "local advisory committee means," but it could mean anything that this Federal board wanted it to mean, and three or four persons sitting here in Washington could send word to all the States that in every township in each State there shall be an advisory committee.

Mr. SMITH of Georgia. Has the Senator moved to strike that language from the latter part of line 18 and down to line 24?

Mr. WADSWORTH. I am going to do that.

Mr. SMITH of Georgia. I shall support that motion.

Mr. FRANCE. I do not think that the amendment proposed vitally changes the bill, in view of the more general language which the Senator from New York has moved to have incorporated. I mean the word "agency" instead of "board." The word "agency," of course, will cover any sort of a board or committee, or even individual local health officer.

Mr. WADSWORTH. Anything the State may want.

Mr. FRANCE. So I do not think the rest of it is material, except that it does provide for a certain degree of uniformity. As has been suggested by the Senator from Wisconsin, it also closes the door to the use of this money for the creation of a large number of lucrative offices. I thought that was what the Senator from New York had in mind when he first rose—the prevention of the creation of a large number of lucrative offices.

Mr. WADSWORTH. That is why I offered the amendment using the word "agency," so that the State departments could remain single headed instead of being composed of three members. If the States themselves, on their own volition, elaborate the administration of the law within their own borders, I think they are entitled to take such action, so long as it is not done by the Federal money, as the Senator from Colorado suggests.

Mr. LENROOT. If the Senator from New York will yield at that point, it would be included in the part the State contributed. I think, under the Senator's theory, every dollar of the various State contributions might be used in furnishing political jobs throughout the State.

Mr. WADSWORTH. Here stands the commission clothed with the power to draw the regulations and approve the plans under which the work is to be done.

Mr. LENROOT. Yes; but the Senator objects to this Federal board having anything to say about the State committees or officials.

Mr. WADSWORTH. Mr. President, I objected to the mandatory provisions of the bill to which I have referred so often under which the Federal board may require the State boards or the State agencies to appoint advisory committees, both State and local, to assist in carrying out the purposes of the act. I think that might be left out for the time being. I imagine that a good many States will not want any advisory commissions. I think the State of New York will not want one; it now has too many commissions of all kinds and descriptions; and yet under this act it will be compelled to have another one if the board at Washington says they shall. I do not want the Federal Government clothed with the absolute power to create positions in the States.

Mr. SIMMONS. Does not the adoption of the Senator's amendment, a little while ago, make it absolutely necessary to strike out that part of the bill?

Mr. WADSWORTH. No; I do not think it does.

Mr. SIMMONS. The Senator's amendment, a little while ago, as I understood it, simply provided for the carrying out of this scheme by the States through any agency they might appoint. Now, the language in the proviso is retained which provides that the State board which the Senator's amendment has just destroyed shall appoint an advisory committee, making the proposed act inconsistent with itself.

Mr. WADSWORTH. I think it is inconsistent as a policy.

Mr. SIMMONS. The Senator first proposes to provide for the elimination of the State board and vest the powers which the bill confers upon it in any agency the State may provide. Then immediately follows the provision that the State board shall appoint an advisory committee. The Senator is, therefore, proposing to strike down the State board in one section and retain it in the next section.

Mr. WADSWORTH. Yes; the advisory board.

Mr. SIMMONS. There must be State boards if we are going to have committees appointed by State boards; but the Senator suggested an amendment to provide for eliminating the State boards and vesting these powers in any agency that the State might see fit to establish.

Mr. WADSWORTH. Mr. President, do I understand that the amendment which I first offered, on lines 11 and 12, has been adopted?

The PRESIDING OFFICER (Mr. STANLEY in the chair). The amendment has been adopted.

Mr. WADSWORTH. May I say to the Senator from Maryland, as to the proviso which follows the amendment, that I have no objection to the proviso in lines 15 to 18, inclusive, remaining in the bill, although I think it is surplusage?

Mr. FRANCE. I appreciate that.

Mr. LENROOT. Before the amendment is voted on, I desire to say that I think that is true if the proviso remains as at present framed, but if the word "may" can be changed to "shall," I think it would be very desirable to leave the proviso in, because any State which has a child welfare or child hygiene division in the State board of health will be a proper agency to administer this proposed act. Therefore, before the motion to strike out is voted on, I move, in line 17, page 4, to strike out the word "may" and to insert the word "shall."

Mr. WADSWORTH. I think that is an excellent amendment.

Mr. FRANCE. Mr. President, if the Senator from New York will yield, I desire to say that I understood he would be willing to withdraw his amendment striking out the proviso.

Mr. WADSWORTH. Yes; the first proviso itself, in lines 15 to 18, inclusive, if the amendment of the Senator from Wisconsin is adopted.

Mr. FRANCE. May the amendment be stated, Mr. President?

The PRESIDING OFFICER. The first amendment is that offered by the Senator from Wisconsin [Mr. LENROOT] to strike out the word "may" in line 17 and to insert the word "shall." It is necessary first to vote on that amendment before voting on the amendment proposed by the Senator from New York.

Mr. SMITH of Georgia. Who is to give the direction referred to?

Mr. LENROOT. The law itself.

Mr. SMITH of Georgia. The language proposed is:

Provided, That in any State having a child welfare or child hygiene division in its State board of health, the said State board of health shall be directed to administer the provisions of this act through such divisions.

Directed by whom? Is the Federal board to direct them or is the head of the Children's Bureau to direct them?

Mr. LENROOT. I think the criticism made by the Senator is well taken. I move to strike out the words "may be directed to" and to insert the word "shall." That will accomplish the object.

The PRESIDING OFFICER. The amendment as modified will be stated.

The READING CLERK. On page 4, line 17, it is proposed to strike out the words "may be directed to" and to insert the word "shall."

The PRESIDING OFFICER. The question is on the amendment as modified.

The amendment as modified was agreed to.

Mr. WADSWORTH. Mr. President, on page 4, I move to strike out lines 19, 20, 21, 22, 23, and the first two words on line 24, for the reasons which I have already given.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 4, beginning in line 18, it is proposed to strike out the following:

The Federal board may require the State boards cooperating under this act to appoint advisory committees, both State and local, to assist in carrying out the purposes of this act; the members of such advisory committees shall be selected by the State boards, and at least half of such members shall be women.

Mr. SMITH of Georgia. Mr. President, I wish to express my very cordial approval of that amendment. If this bill is to be effective, the State boards of health must be given authority to direct it. I do not believe it will work in any other way. The effort to allow the Federal board to require the State boards to appoint advisory committees is hardly wise, in my opinion, for the reason that such committees may or may not be desirable in the various States. The same rule can not work in every State; we must recognize the machinery of the State, and we must in a measure concede to them the authority to perfect plans for administering health work within their borders; and to undertake to control the State boards of health by advisory committees will handicap the work. Nearly every State has a State board of health, selected from their physicians, and they can best do this work.

Mr. FRANCE. Mr. President, while I do not feel that the pending amendment is one which vitally interferes with the provisions of the bill, I do consider that some degree of uniformity is necessary, or at least advisable, in the machinery

which we set up in the States. It was my thought that if unpaid advisory committees were created they would give us a uniformity which would be very desirable; so that in case it was desired to call a conference members of the voluntary advisory committees could be summoned to the conference. I do not feel that the appointment of advisory committees will in any way hamper the work being carried on by the boards of health or by the other agencies which will be created under the bill, in conformity with the language suggested by the Senator from New York. I hope that the Senate will not adopt the amendment and that the section may be allowed to stand as it has now been amended, in a way which makes it very satisfactory.

Mr. SPENCER. Mr. President, may I ask the Senator from Maryland in charge of the bill whether it would be satisfactory to the committee if the requirement as to the Federal board being given the power to appoint advisory committees or to require State boards to appoint advisory committees, whether or not the State boards might care to do so, were modified to provide as follows:

The Federal board may require the State boards cooperating under this act, and with their consent, to appoint advisory committees, both State and local.

I am inclined to think that in Missouri we would like to have such an advisory board; it would interest a large number of people who might otherwise not be interested; and yet I can conceive it may be true, as the Senator from New York has said, that in some States such an advisory board might not be desired. There ought, however, to be the power to give it some official sanction.

Mr. LENROOT. What would be meant by requiring certain action to be taken with the consent of the other parties?

Mr. SPENCER. Under the provisions of the bill it is not provided that they shall be "required," but the word "may" is used so that they may or may not do so.

Mr. LENROOT. The two things are absolutely antagonistic.

Mr. SPENCER. I agree with the Senator as to the word "require," and think we had better change it; but the point is to give to the Federal board the right, with the consent of the State, to have an advisory board in the State so that it would have some official connection with the administration of the law.

Mr. FRANCE. If the Senator will suggest that amendment, it will be agreeable to me personally.

Mr. SPENCER. May I ask the Senator from New York if it will be agreeable to him?

Mr. WADSWORTH. I do not understand just what part the Senator wants to change.

Mr. SPENCER. After the word "act," in line 20, there would be added the words "and with their consent," so that it would read:

The Federal board may require the State boards cooperating under this act, and with their consent, to appoint advisory committees.

In other words, it would not be compulsory upon any State unless the State desired it.

Mr. WADSWORTH. That is all I am aiming at, and we will get that result by striking out the entire language.

Mr. SPENCER. Yes, Mr. President; we may get the same result; but if we strike out the entire language we give the advisory boards no official standing whatever. There will be no provision for them in the law, whereas the amendment I have suggested accomplishes, I think, what the Senator from New York has in mind, and yet does give to the advisory boards a certain official standing. I should like to see the advisory boards created; I think we would like them in Missouri.

Mr. WADSWORTH. Let me call attention again to how the language would read if the suggestion of the Senator from Missouri were adopted. It would read:

The Federal board may require the State boards—

Require the State boards—

cooperating under this act to appoint, with their consent, advisory committees.

Mr. SMITH of Georgia. The word "require" should be changed to "authorize."

Mr. SPENCER. That is the very suggestion I was about to make.

Mr. SMITH of Georgia. It should read "authorize the State boards, with their approval."

Mr. SPENCER. It would read better if the word "require," in line 19, were changed to "authorize," and after the word "act," in line 20, there were added the words "with their consent."

Mr. WADSWORTH. That is a vast improvement.

Mr. FRANCE. Mr. President, that would meet the situation, if it is possible for the Federal Government to authorize

such State boards to do a certain thing. I would suggest, however, the word "request" instead of the word "require."

Mr. WADSWORTH. Oh, no; that is a very different matter.

Mr. WATSON. "Authorize" is better.

Mr. FRANCE. The word proposed is satisfactory to me, and I think it meets the suggestion of the Senator from New York.

Mr. SPENCER. Then, if I may be permitted, I move that the word "require," in line 19, be changed to "authorize."

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 4, line 19, it is proposed to strike out the word "require" and insert the word "authorize," so as to read:

The Federal board may authorize the State boards cooperating under this act.

And after the word "act" to insert the words "and with their consent."

Mr. SPENCER. "And with the consent of said State board," in order that there may be no doubt to whom it refers.

Mr. SIMMONS. Mr. President, I want to ask the Senator from New York if under his amendment which we have just adopted that authority is not implied? Why is it necessary for the Federal board to authorize the State to do it when you have just provided that the State shall frame its own plan for the administration of this act?

I dislike very much to see such a flagrant inconsistency. You have provided now that the State shall have authority under this law to provide its own agencies for its administration. That has been done upon the insistence of several Senators here that the Federal Government should not control the State machinery for the enforcement of this law. Now it is proposed to authorize the establishment of a committee to be authorized by the Federal Government and not by the State government. If the State government wants a committee under the authority which the Senator's amendment gives the State government to prescribe the method of enforcement of this law, it can appoint a committee.

Mr. WADSWORTH. It can.

Mr. SIMMONS. It does not at all prevent the carrying out of the idea of the Senator from Missouri. If in his State it is thought better to have a plan by which there is to be a State board or an advisory committee, that State, under the authority given by the Senator's amendment, can establish it. There is no necessity for giving a State authority for doing a thing which a provision of the law in broad language authorizes it to do if it wants to do it.

Mr. WADSWORTH. I think the Senator is absolutely right. That is all I have been endeavoring to accomplish, and when I first moved to strike out lines 19 to 24 it was to do away with the mandatory feature which would compel a State to adopt a certain machinery.

Mr. SIMMONS. Of course, we are going to strike this language out, because it is inconsistent.

Mr. WADSWORTH. I am perfectly willing to strike it out. The Senator from Missouri now suggests that the teeth be taken out of that language and that it be really left to the discretion of the States, after all. I think they have that discretion anyway. I think that is quite meaningless.

Mr. SIMMONS. It is absolutely meaningless.

Mr. WALSH of Montana. Mr. President—

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Montana?

Mr. SPENCER. Yes.

Mr. WALSH of Montana. I desire to register an objection to the language proposed by the Senator from Missouri, the validity of which, I think, will be apparent.

I do not think we ought to frame a Federal statute which would grant any kind of authority to State officials. They derive their authority from some other source. We ought not to authorize them. The same fault is found in the succeeding sentence, which I should like to remodel. It reads:

In any State, the legislature of which does not meet in 1920, the governor of that State, so far as he is authorized to do so, may accept the provisions of this act and create a State board of maternal and infant hygiene.

The Federal statute is reposing powers in the governor of the State. That is an eminently inadvisable way to legislate. It seems to me the purpose that everyone has in this matter could be easily accomplished by just using the word "recommend" instead of "require," so that it shall read:

The board shall recommend to the State boards cooperating under this act the appointment of advisory committees, both State and local, to assist in carrying out the purposes of this act.

Then the Federal board will send out a recommendation that these advisory committees be constituted, and set forth their

reasons why they should be constituted; and then, if the State was so situated as that its machinery could not accept the recommendations, or there were local reasons why it could not do so, that would dispose of the matter; and thus, so far as uniformity could be accomplished, it would be accomplished.

I should revolt at the idea of our attempting to repose power in State officials. They derive their power from their own State constitutions.

I accordingly suggest, in that same connection, the remodeling of the succeeding sentence, so that it shall read in this way:

If, in any State the legislature of which does not meet in 1920, the governor of that State, so far as he is authorized to do so, shall accept the provisions of this act and create a State board of maternal and infant hygiene of not less than three members, or designate a division of child welfare or child hygiene in the State board of health, to act in cooperation with the Children's Bureau, the said Children's Bureau shall then recognize such State board for the purposes of this act.

That is to say, just insert the word "if" before the sentence commences, change "may" to "shall," and cut out the period after the words "Federal board" in line 5, so that if the governor is authorized to do so, and he shall create such an agency, then the Children's Bureau shall recognize it. Thus you escape the anomaly of Congress assuming to grant powers to State officials.

They derive their powers logically, of course, from the constitution and laws of their own States. So that here, if you should direct the Children's Bureau to recommend to the various State boards the appointment of advisory committees, State and local, it seems to me that you would thus meet the views of all the Members who have expressed themselves.

Mr. SPENCER. Mr. President, so far as I am concerned, I think the suggestion of the Senator from Montana is excellent. I think it is a better word than my own or the other one that was suggested—to change the word "require," in line 19, to "recommend," and let the language read:

The Federal board may recommend.

Mr. WALSH of Montana. Strike out the words "may require," and insert in lieu thereof "shall recommend to."

Mr. SPENCER. Instead of saying "shall recommend to," I should suggest "may recommend to."

Mr. WALSH of Montana. I should put it "shall." Apparently, that is the sense. The sense is that these advisory boards, wherever they can be organized, ought to be organized; and so we direct the Children's Bureau to make that recommendation.

Mr. FRANCE. Mr. President, will the Senator from Montana make that as a motion?

Mr. WALSH of Montana. I offer that as an amendment. The Senator has indicated his willingness to accept it.

Mr. SPENCER. I withdraw my recommendation.

Mr. SHEPPARD. Should not the words "Federal board" be changed to "Children's Bureau"?

Mr. WALSH of Montana. I understand that that has already been done, so that it will read:

The Children's Bureau shall recommend to the State boards cooperating under this act the appointment of advisory committees, both State and local, to assist in carrying out the purposes of this act.

Mr. SMITH of Georgia. "Shall" or "may"?

Mr. WALSH of Montana. "Shall."

Mr. WADSWORTH. Mr. President, does the Senator from Maryland think it is wise to make that mandatory upon the Federal agency?

Mr. FRANCE. Yes; I feel that it is wise, as the Senator from Montana has suggested.

Mr. WADSWORTH. You are setting up here a Federal agency of three or four persons, and it is assumed that they are going to know more about what is needed in the way of administration in the States than anybody else in and about Washington. You put in the act creating the board a provision that they must recommend the creation of advisory committees. Now, I do not believe that is necessary.

Mr. FRANCE. It is not material.

Mr. WADSWORTH. If they determine that it is wise, they can do so. If they determine that it is not wise to recommend the formation of advisory committees, they ought not to be compelled to make the recommendation.

Mr. WALSH of Montana. If it is agreeable to the chairman, I am quite willing to substitute the word "may" for "shall."

Mr. WADSWORTH. With that change, I have no objection to the language between lines 19 and 24, if it shall read "the Children's Bureau may recommend."

Mr. LENROOT. Mr. President, will the Senator yield? I should like to ask if the technical language in the bill is not "Chief of the Children's Bureau"?

Mr. FRANCE. "The Children's Bureau." The words "Children's Bureau," however, are defined in the amendment of the

Senator from Utah so that the Chief of the Children's Bureau is included; so that point is covered.

Mr. LENROOT. Very well.

Mr. BRANDEGEE. Mr. President, I should like to ask the Senator from Montana if he will now repeat the language of the bill as he would like to have it read, with the changes included which he has suggested, commencing on line 24?

Mr. WADSWORTH. Mr. President, has the amendment on line 19 been adopted? I should like to know about that before we proceed to another.

Mr. WALSH of Montana. I understand that the proposed amendment of the senior Senator from Utah [Mr. Smoot] included every case in which the words "Federal board" appeared, and that there was substituted in lieu of those words "the Children's Bureau."

The PRESIDING OFFICER. The attention of the Chair is called to the fact that the amendment changing the words "Federal board" to "Children's Bureau" wherever they appear in the bill has not yet been made.

Mr. SHEPPARD. I suggest to the Senator from Utah that he make that request.

Mr. SMOOT. I was just going to ask that it be agreed to now.

Mr. BRANDEGEE. Can it not be agreed to now that the words "Children's Bureau" shall be inserted wherever the words "Federal board" appear throughout the bill?

The PRESIDING OFFICER. There is another amendment before the Senate. That can only be agreed to by unanimous consent.

Mr. SHEPPARD. I understand that the senior Senator from Utah asked unanimous consent that that change be made.

Mr. SMOOT. If there is an amendment pending now, let it be agreed to and disposed of, and then I shall ask unanimous consent that wherever the words "Federal board" occur in the bill they shall be stricken out and the words "Children's Bureau" inserted.

Mr. WALSH of Montana. Then the sentence would read:

The Federal board may recommend to the State boards—

Mr. BRANDEGEE. "The Children's Bureau."

Mr. WALSH of Montana. But that has not yet been done. It will read:

The Federal board may recommend to the State boards cooperating under this act the appointment of advisory committees, both State and local, to assist in carrying out the purposes of this act; the members of such advisory committees shall be selected by the State boards, and at least half of such members shall be women.

Mr. FRANCE. Mr. President, will the Senator from Montana incorporate in his amendment the other changes which he suggested?

Mr. WADSWORTH. Mr. President, may I interpose a suggestion there? The Senator from Montana has made some additional suggestions applicable to the next sentence, and I also have some amendments to the next sentence, and the two can be combined.

Mr. WALSH of Montana. I think perhaps we had better dispose of this sentence first.

Mr. FRANCE. I have no objection to the amendment, as perfected by the Senator from Montana, to the language between lines 19 and 24.

Mr. WATSON. Mr. President, why can not the amendment be stated, and let us act on it, and make some headway?

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 4, line 19, strike out the word "require," and insert in lieu thereof the words "recommend to"; on line 20, page 4, strike out the words "to appoint," and insert in lieu thereof the words "the appointment of."

The amendment was agreed to.

Mr. WADSWORTH. Mr. President, just to straighten out the inconsistency which occurs in the next sentence, perhaps it would be wise for me to offer an amendment before the Senator from Montana [Mr. Walsh] offers his. I have two to offer. On line 2, of page 5, after the word "and," I move to insert the words "designate or," so that it will read "may accept the provisions of this act and designate or create a State board," and so forth.

Mr. FRANCE. Mr. President, I think that is a very helpful amendment.

Mr. WADSWORTH. Is there any objection to that, Mr. President? The reason for it is perfectly obvious.

The amendment was agreed to.

Mr. WADSWORTH. Now I move to insert, in line 2, page 5, after the word "State," the word "agency," and to strike out the rest of the line, and all of lines 3 and 4, down to and including the word "health," so that it will read, "designate or create a State agency to act in cooperation with the Federal

board." That makes it conform with the amendment already adopted to the first part of section 4.

The amendment was agreed to.

Mr. WADSWORTH. Mr. President, that principle having been established, I make a request similar to one which the Senator from Utah made, that hereafter, throughout the bill, where the words "State board" occur, the language be changed to read "State agency." I move that amendment.

The amendment was agreed to.

Mr. WALSH of Montana. Mr. President, I move to insert, after the word "women" and the period, in line 24, page 4, the word "If"; on page 5, line 1, to strike out the word "may" and insert the word "shall"; and after the word "board," in line 5, page 5, to strike out the period, so that the sentence shall read:

If in any State, the legislature of which does not meet in 1920, the governor of that State, so far as he is authorized to do so, shall accept the provisions of this act and designate or create a State agency to act in cooperation with the Children's Bureau, the said Children's Bureau shall then recognize such State board for the purposes of this act until the legislature of such State meets.

Mr. LENROOT. I would like to have the Senator's construction of that language. Is it intended to mean that, although there may be no authority whatever in the governor of the State to accept the provision of the act, he may accept them and have the State receive all the benefits of the act?

Mr. WALSH of Montana. It is expressly provided that he can not do anything unless he is authorized to do so, and he must be authorized to do so by the State law. The point I am making is that we can not confer on the governor of the State the power to create or designate a board. If he has that power, he must of course get it from the State constitution or the State law; but if he does that, then the Children's Bureau, being authorized, will recognize that agency as meeting the requirements of the act.

Mr. LENROOT. One other question. That is the construction I give it in its original language, but does not the Senator's amendment change that construction? In other words, if the Senator's amendment is adopted, could not the governor of the State file a certificate merely stating that, "in so far as I have authority I accept the provisions of the act and designate this agency," and will not the State then be entitled to the money, although there will be no authority whatever in the governor to accept it?

Mr. WALSH of Montana. The amendment proposed by me does not alter that situation at all.

Mr. LENROOT. I think it does.

Mr. WATSON. May we not have the amendment reported, so that we can tell what it is?

Mr. SHEPPARD. Mr. President, before the Secretary reads the suggested amendment I ask the Senator from Montana if he will not also substitute the year "1921" for "1920."

Mr. WALSH of Montana. That should be done. That is what I had in mind. But, before the amendment is reported, if the Senator from Indiana will pardon me, I call attention to one fact, for the purpose of showing that there is no change made, so far as the authorization is concerned. The original draft reads:

In any State the legislature of which does not meet in 1920 the governor of that State, so far as he is authorized to do so—

Authorized how?

So far as he is authorized to do so, of course, by the constitution and the laws of his State. It continues—

may accept the provisions of this act and create a State board of maternal and infant hygiene.

That is to say, we say to the governor of the State of Montana or the governor of the State of New York, "You may create a bureau or board of maternal and infant hygiene."

The point I object to is telling the governor of a State that he may do so and so. I want to provide that if he does so, then the Children's Bureau will recognize that agency as the agency of the State.

Mr. LENROOT. If instead of putting the word "If" where the Senator proposes, in line 25, he should strike out the words "so far as" and insert "if," would he not accomplish his purpose and make the construction very clear?

Mr. WALSH of Montana. I did not get that.

Mr. LENROOT. Instead of the amendment the Senator proposes, if line 25 be amended by striking out the words "so far as" and inserting the word "if" in that place, will the Senator not accomplish what he desires and make the construction very clear, so that it will read, "if he is authorized to do so, may accept," and so forth?

Mr. WALSH of Montana. But the Senator does not reach the point I am endeavoring to arrive at. What I object to is authorizing the governor to create a board, which we do by

saying "if he is authorized to do so he may create a board." We can not authorize him to create a board. We can not delegate any authority to him of that character. But if he is authorized to do so and he does so, then the Children's Bureau will accept that work.

Mr. SPENCER. Would the Senator from Montana have any objection to inserting after the word "shall," as he changes it, in line 1, page 5, the words "under the provisions of law"? That would meet the objection of the Senator from Wisconsin [Mr. LENROOT], which seems to me to have merit in it. It would then read:

If in any State, the legislature of which does not meet in 1921, the governor of that State, so far as he is authorized to do so, shall, under the provisions of law, accept the provisions of this act and create a State agency.

And so forth.

Mr. WALSH of Montana. That would be entirely satisfactory.

Mr. SPENCER. Then there will be no doubt about the governor's action, if he did have the authority.

Mr. WALSH of Montana. I should have no objection to that. The only point I make is that if under the Constitution and laws of his own State he does it, the Children's Bureau will accept it.

Mr. SPENCER. Exactly. May we hear the proposed amendment, Mr. President?

The PRESIDING OFFICER. The Secretary will report the amendment.

The READING CLERK. On page 4, line 24, before the word "In" insert the word "If"; on line 25, strike out the numerals "1920" and insert the numerals "1921"; in line 1, page 5, strike out the word "may" and insert "shall, under the provisions of law," so that the paragraph will read:

If in any State, the legislature of which does not meet in 1921, the governor of that State, so far as he is authorized to do so, shall, under the provisions of law, accept the provisions of this act and designate or create a State agency to act in cooperation with the Federal board—

And so forth.

Mr. McCUMBER. Mr. President, let me suggest to the Senator from Missouri if it would not be better to insert, in place of what he desires to insert, the words "by law," so that it will read "so far as he is authorized by law," merely inserting "by law."

Mr. SPENCER. That would not at all meet what I had in mind.

Mr. McCUMBER. Probably I did not understand what the Senator really desired.

Mr. SPENCER. Without the amendment suggested by me, it might well be that a governor would certify that, so far as law authorized him to do so, he accepts the provision, and automatically that would make available the Federal appropriation, when, as a matter of fact, the authorization of the State law was not anywhere near sufficient to give him the authority to accept unqualifiedly. The governor ought not to be allowed to accept unless under the law he has the authority to make the acceptance which he seeks to make. That is what the amendment protects, and that is what the amendment of the Senator from North Dakota does not protect.

Mr. McCUMBER. I think the effect would be the same.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Montana [Mr. WALSH].

The amendment was agreed to.

Mr. SMOOT. On page 4, line 24, I move to insert after the word "women" a comma and the words "all of the members of which advisory committees shall serve without compensation."

The amendment was agreed to.

Mr. WALSH of Montana. I move that the word "of," in line 21, page 6, be stricken out, and that the word "for" be inserted in lieu thereof.

The VICE PRESIDENT. The Secretary will report the amendment.

The READING CLERK. On page 6, line 21, after the word "provision," strike out the word "of" and insert the word "for," so that it will read, "the provision for instruction."

The amendment was agreed to.

Mr. SMOOT. On page 9, line 16, I move to strike out the words "as chairman of the Federal board," so that it will read:

That the Secretary of Labor shall include in his annual report to Congress a full account of the administration of this act and of the expenditures of the moneys herein authorized.

The amendment was agreed to.

The VICE PRESIDENT. The Chair calls the attention of the Senator from Utah to the fact that there is an amendment which has not yet been agreed to. The Secretary will state it.

The READING CLERK. On page 4, line 14, and wherever thereafter they appear, strike out the words "Federal board" and insert in lieu thereof the words "Children's Bureau."

Mr. SMOOT. I thought that had been agreed to.

The VICE PRESIDENT. It has not yet been agreed to.

Mr. SMOOT. I ask that the amendment be agreed to.

The amendment was agreed to.

Mr. HENDERSON. I was just about to ask the Senator from Utah with reference to that amendment. I would also like to ask if the amendment proposed by the Senator from New York [Mr. WADSWORTH] that wherever the words "State board" appear in the bill it now shall read "agency," has been agreed to?

The VICE PRESIDENT. That amendment has been agreed to. The bill is still as in Committee of the Whole and open to further amendment.

Mr. HITCHCOCK. On page 6, in line 2, after the word "elsewhere," I move to strike out the words "to rent buildings outside of the city of Washington." I ask whether the Senator in charge of the bill will be willing to accept that amendment.

Mr. FRANCE. I will not object to that amendment.

The VICE PRESIDENT. The amendment will be stated.

The READING CLERK. On page 6, lines 2 and 3, strike out the words "to rent buildings outside of the city of Washington."

The amendment was agreed to.

Mr. HITCHCOCK. In the same section, section 6, unlimited power is given to employ assistants, clerks, and other persons, without any limitation of salary. As we have always found that to be a bad practice heretofore, I move the insertion of the following amendment—

at salaries or compensation to be fixed by the Secretary of Labor and corresponding to those fixed by law for similar services elsewhere in Government employ.

I suggest to the Senator from Maryland the acceptance of the amendment.

Mr. FRANCE. I think that is a very suitable provision.

Mr. HITCHCOCK. It should be inserted after the word "elsewhere," in line 2, page 6.

Mr. BRANDEGEE. Will the Senator State once more the provision about the approval of the Secretary of Labor?

Mr. HITCHCOCK. I will ask that the Senator read the amendment.

The reading clerk again read the amendment.

Mr. BRANDEGEE. Why is it necessary, if the Children's Bureau is to have jurisdiction of this question, to have the salaries determined by the Secretary of Labor? It seems to me the Senator's provision that the salaries shall be similar to those of other Government employees in similar work is sufficient. I would not think it necessary that the Secretary of Labor should have the arbitrary right to fix these salaries.

Mr. HITCHCOCK. I will say, in answer to the question, that it seems to me the fixing of a salary is of sufficient importance, where it is not fixed by law, to go to the head and have the approval of the executive head of the department in which the bureau operates. I do that because of the additional responsibility vested in a Cabinet officer. The Secretary of Labor would merely approve a salary suggested, I suppose, by the head of the Children's Bureau, but it should have his sanction.

Mr. LENROOT. Will not the Senator make it read "approved" rather than "fixed"?

Mr. HITCHCOCK. I have not any objection to that. I will accept that modification.

Mr. BRANDEGEE. Fixed by the Children's Bureau, subject to the approval of the Secretary of Labor.

Mr. HITCHCOCK. At salaries approved by the Secretary of Labor, but not more than those fixed by law for similar services.

Mr. BRANDEGEE. I have no objection to that, but I assume it to mean that the Children's Bureau is to fix them, subject to the approval of the Secretary of Labor. I did not know whether it would be considered that the Secretary was to fix them in the first place.

Mr. HITCHCOCK. No. A good deal of initiative would be in the bureau.

Mr. KING. I would like to ask the Senator from Nebraska whether the amendment to which he refers deals with the 5 per cent which would be subtracted from any sum appropriated for salaries or whether it deals with salaries which are already paid to employees of the bureau, or both?

Mr. HITCHCOCK. I understand it only deals with those which are created by the bill.

Mr. KING. Are there any salaries to be paid under the bill other than those which will come from the 5 per cent fund, to which reference is made in section 5?

Mr. HITCHCOCK. I am not competent to answer that question. I have had no management of the bill. This applies evi-

dently to the salaries of those persons whose employment is authorized by the bill.

Mr. KING. I would like to ask the Senator from Maryland [Mr. FRANCE] or the Senator from Texas [Mr. SHEPPARD] whether any money will be paid for compensation or expenses or salaries in the administration of the bill, except from the fund of 5 per cent provided for in section 5?

Mr. FRANCE. I believe not.

Mr. SHEPPARD. That is my understanding also.

Mr. LENROOT. Of course, the Chief of the Children's Bureau, it being a statutory provision, would not be included in the 5 per cent.

Mr. KING. I assume a great deal of the work which is called for by the bill is already being performed by the bureau.

Mr. FRANCE. That is true.

Mr. KING. Is it contemplated that the persons who are now performing work which the bill will perhaps increase, shall, in addition to the salaries and compensation which they are now receiving, get 5 per cent additional?

Mr. FRANCE. I think not, if the question is addressed to me.

Mr. KING. I addressed the Senator from Maryland.

Mr. FRANCE. I think that would be very bad practice.

Mr. KING. I think so, too. It would seem to be a duplication and an increase in salaries where it would not be warranted.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Nebraska [Mr. HITCHCOCK].

The amendment was agreed to.

The bill was reported to the Senate as amended and the amendments were concurred in.

Mr. HARRIS. Mr. President, on yesterday when an amendment to this bill was being voted upon I stated that I had a pair with the junior Senator from New York [Mr. CALDER], and not knowing how he would vote on the amendment, I therefore withheld my vote. However, the junior Senator from New York having informed me that he is in favor of the bill, and as I have favored it both as a member of the committee and on the floor, I shall be glad to cast my vote for the measure.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ORDER OF BUSINESS IN HOLIDAY SEASON.

Mr. SMOOT. Mr. President, I offer the following unanimous-consent agreement.

The VICE PRESIDENT. The Secretary will read the proposed agreement.

The reading clerk read as follows:

It is agreed, by unanimous consent, that on Monday, December 20, 1920, the Senate, at the close of the routine morning business, will adjourn until Thursday, December 23, 1920, and that at the close of routine morning business on Thursday, December 23, 1920, the Senate will adjourn until Monday, December 27, 1920, and during the period from December 20, 1920, to December 27, 1920, no business other than routine morning business will be transacted, and that no bills or resolutions shall be passed.

The VICE PRESIDENT. Is there any objection?

Mr. SMITH of South Carolina. May I ask to what date that contemplates going?

Mr. SMOOT. December 27. I will say to the Senator that the reason it was not extended beyond that time was because the War Finance Corporation bill, for the relief of farmers, will come from the House on Friday next, as I am informed, and I thought it would be very proper to take that up on Monday and act upon it in the Senate, if possible.

Mr. SMITH of South Carolina. Of course, I would not put anything in the way of giving relief to that situation, but that would necessitate a return to Washington by a great many of us leaving for the Christmas holiday, or else we will have to remain here, because those who are away a night-and-day run would necessarily have to leave their homes on the Christmas holiday in order to be here on the 27th. It seems to me nothing will be gained by that procedure, so far as any holidays are concerned. There is a good deal of matter that might be disposed of. If we are only going to take that kind of a recess, it might be best to go on with the ordinary business of the Senate.

Mr. SMOOT. That is perfectly satisfactory to me. I thought the Senator from South Carolina was in favor of this proposed agreement.

Mr. SMITH of South Carolina. What I was in favor of was—

Mr. SMOOT. I am perfectly willing to withdraw it.

Mr. SMITH of South Carolina. Just let me state that I was hoping that when we took a recess for the Christmas holidays we might be able to include the two—Christmas and New Year's

Day—as both of them come on a Saturday. If we could get the measure to which the Senator refers over here during the coming week, we might dispose of it, so that when we do take a recess for the holidays it may include the two and not break into the continuity of our holiday.

Mr. SMOOT. I thought of that myself, but I am told by the chairman of the Ways and Means Committee of the House that it is absolutely impossible to secure the passage of that measure before Thursday evening. Therefore it could not be over here before Friday, and we could not get a report out of the committee and get it passed during that day. Then the very next day is Christmas. So it seemed to me that this was the only way, if we wanted a week, and that after Monday, if we have not anything special—

Mr. ROBINSON. Mr. President—

Mr. SMOOT. Just a minute. If we have not anything special on the 27th, the Senate could adjourn until the following Thursday.

Mr. ROBINSON. The proceeding which the unanimous-consent agreement contemplates would require Senators who are interested in the measure referred to to remain here until the 27th.

Mr. SMOOT. No; not necessarily.

Mr. ROBINSON. Why not?

Mr. SMOOT. Because that measure will not be here until the 27th.

Mr. ROBINSON. But Senators who live in remote parts of the country can not get home and return by the 27th. Take the case of myself. I can not leave here Monday or Tuesday and get back for the session on the 27th.

Mr. SMOOT. The Senator could leave to-night if he wanted to do so, and get back on the 27th.

Mr. ROBINSON. I could not spend Christmas day at home and get back by the 27th, because there is no schedule time that would put me back here. This arrangement is the very worst that could be suggested in so far as the holiday season is concerned. It would be much better to have the Senate stay in continuous session rather than make the arrangement the Senator from Utah has suggested. The Senator discussed this matter with me some hours ago, as he will recall, and he had another arrangement which was satisfactory to me, and I think it would be satisfactory to other Senators.

Mr. SMOOT. I have prepared that unanimous-consent agreement in accordance with the discussion which first led to it, and I have another, which I will read.

Mr. SMITH of South Carolina. Before the Senator reads it, let me make this suggestion to him.

If we were to return on Monday, the 27th instant, and that bill were returned from the other House, it would be referred to the proper committee on this side of the Capitol, and it would be some four or five days or perhaps longer before the committee would report it. It evidently would be discussed at considerable length here. There would be only about five days between that and New Year's Day. If we were to come back here on the following Monday, which is the 3d of January, I do not think any time would be lost, and business certainly would be better attended to than to have the lack of a quorum here during the period of the Christmas holidays.

Mr. SMOOT. Mr. President, I will read the proposed unanimous-consent agreement which I first prepared, and I should like Senators to follow it. Then I care not which one we adopt. It is as follows:

It is agreed, by unanimous consent, that beginning with Monday December 20, 1920, and until Monday, January 3, 1921, the Senate will meet each Monday and Thursday, and at the close of the routine morning business, on Monday, December 20, 1920, Thursday, December 23, 1920, Monday, December 27, 1920, and Thursday, December 30, 1920, the Senate will adjourn; and during the period from December 20, 1920, to December 30, 1920, no business other than routine morning business will be transacted, and that no bills or resolutions shall be passed.

Mr. SMITH of South Carolina. Mr. President, I desire to suggest an amendment in the wording of the proposed agreement. Instead of reading "at the close of the routine morning business on Monday," I suggest that it read, "at the close of the regular business on Monday," so as to give us a full day on Monday in which to transact whatever business we may desire.

Mr. SMOOT. That is really what the agreement provides, for it only extends to Thursday, December 30, 1920; so that when we adjourn on that day to Monday, of course, we shall meet in regular session.

Mr. SMITH of South Carolina. I am speaking about Monday, December 20, next Monday. The Senator's proposal read "at the close of the routine morning business." Why not say "at the close of the business of that calendar day," in order to give us a full day to go on with the business of the Senate?

Mr. SMOOT. The proposed agreement might be so amended. Mr. SMITH of South Carolina. I think that would be better.

Mr. SMOOT. The only reason I did not so frame the agreement, I will say to the Senator, was because many Senators told me they desired to leave the city to-night and to-morrow; and I thought, that being the case, we would not try to do very much business on Monday. However, I myself think the Senator's suggestion is a very good one.

Mr. HITCHCOCK. Let me ask the Senator a question. Suppose the War Finance Corporation bill should come back to the Senate on Monday?

Mr. SMOOT. It will.

Mr. HITCHCOCK. Under this proposed agreement could it be considered and passed?

Mr. SMOOT. No; it could not, and I think perhaps the Senator's suggestion is a wise one.

Mr. HITCHCOCK. Then the agreement should be modified so as to make such action possible.

Mr. SMITH of South Carolina. I suggest that the Senator modify the agreement so as to make it read "the calendar day of Monday."

Mr. McKELLAR. Is the Senator from Utah certain that the War Finance Corporation bill will come to the Senate by Monday next?

Mr. SMOOT. I am so informed.

Mr. McKELLAR. I understood it would be passed this afternoon.

Mr. SMOOT. It is now before the other House, and I am told that it will pass before adjournment to-day.

Mr. McKELLAR. If it should not pass the House to-day but should pass on next Monday, we would like an opportunity in the Senate to pass it on Tuesday.

Mr. SMOOT. I think the order is that it shall pass to-day.

Mr. SMITH of South Carolina. My understanding is that the House have adopted a rule that there shall be a three hours' debate on the bill, and that it shall then be voted on.

Mr. SMOOT. Yes.

Mr. HARRISON. May I ask the Senator from Utah if he will not incorporate in the request for unanimous consent a provision that we shall vote on the nitrate bill at a certain time on next Monday?

Mr. SMOOT. We can not do that.

Mr. THOMAS. Mr. President, I should like to inquire of the Senator from Utah, if I may, why we should adjourn at all?

Mr. SMOOT. If there were any appropriation bills in the Senate ready for consideration, I should be opposed to adjourning at all.

Mr. ROBINSON. I can tell the Senator from Colorado why we should adjourn. Some of us want to go home for the holidays.

Mr. THOMAS. Mr. President, that is a very good and laudable reason, of course. We have only until the 4th of next March to pass 13 great appropriation bills; we have a great deal of business besides that. We were elected to perform the duties that appertain to the Senate and to the House of Representatives. At this time, when we have so much business to transact, I shall object to any adjournment at all. Let us stay here and attend to our affairs. The idea of taking two weeks' vacation at a time like this, in my judgment, is not to be considered favorably for a moment.

Mr. ROBINSON. Do not spoil the whole thing.

Mr. THOMAS. I am not spoiling anything. I have not been consulted. This is the first I have heard of it.

Let me say, while I am on my feet, that I was not aware when I came in that the Sheppard-Towner bill had been passed; and I desire to take this opportunity of stating for the Record that if I had been here, although it would have been unavailing, I should have voted in the negative. However, I object to the custom of adjourning for two weeks for the Christmas holidays in order to permit Senators to go home. Let us stay here and attend to business.

The VICE PRESIDENT. That ends the request for unanimous consent.

Mr. SMOOT. Yes; that settles that.

Mr. ROBINSON. With the consent of the Senator from Utah [Mr. Smoot], I take the manuscript which he has recently submitted to the Senate and move that the program outlined therein be the order of procedure in the Senate.

Mr. THOMAS. Oh, Mr. President, I know that can be done.

Mr. ROBINSON. That is the reason I make the motion.

Mr. THOMAS. That is what I want done. It may be that everybody will vote for the motion except myself—

Mr. ROBINSON. Very well.

Mr. THOMAS. But I want a roll call on it, in order that the country may know what is the action the Senate of the

United States with all its business before it. The Senate has no right to waste the time of the country and of itself by now taking an adjournment when there is so much business before it. Of course, the Senate can adjourn if it wishes to; I can not help it; but I have made my protest.

Mr. ROBINSON. I move the adoption of the following order to govern the procedure of the Senate—

Mr. TOWNSEND. Mr. President, I have a great deal of sympathy with the position of the Senator from Colorado [Mr. THOMAS]. We have been away from the Senate now for about six months, a much longer vacation than we have had for many years. I have never known the fact that Congress was in session to be an insuperable objection to a Senator going home. Pairs can undoubtedly be arranged for those Senators who desire to go away, and the Senate can continue in session except for the actual holidays or a day or two preceding them.

I feel that it is the duty of the Senate, instead of adjourning at this time, so soon after we have assembled following a long vacation, to take care of some of the work that is before us. We have got into the habit during the last few weeks of doing work, and I am very much afraid that if we interrupt that habit by remaining away from the Senate it will materially interfere with our work here.

I repeat that I see no insuperable objection to a Senator going home if he wants to go, as he has been going heretofore. He can undoubtedly arrange for a pair with some Senator who feels at least that it is his duty to remain here in Washington at this time.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. TOWNSEND. Certainly.

Mr. ROBINSON. The Senator recognizes the fact that never under such circumstances will there be a quorum of the Senate present, and that all business that would be done would necessarily be done by unanimous consent? The business that can be done by unanimous consent and that ought to be taken care of in that way can be attended to very quickly after we come back here.

Mr. TOWNSEND. That may be true, Mr. President, but that is scarcely a valid objection to the suggestion that we perform our duty here in the Senate or at least attempt to do so during that time.

I should like to have this matter voted on by a roll call, in order that we may determine exactly how many Senators actually feel that it is their duty to go home at this time.

Mr. KING. Mr. President, will the Senator yield?

Mr. TOWNSEND. I yield.

Mr. KING. Mr. President, it was understood that this session would be devoted almost exclusively to the consideration of appropriation bills; indeed, a proper consideration of the appropriation bills will consume the entire time of the session. The House has been working upon appropriation bills. They will not be here until after the beginning of the year, so that if we should remain in session there will be but very little if anything for the Senate to do; and, as the Senator from Arkansas has said, what little is done would be of a unanimous-consent character, and we could take up matters coming under that category after the holidays as well as before. If the appropriation bills were here, then there would be very much merit in the position of the Senator from Michigan.

Mr. ROBINSON. Mr. President, will my friend the Senator from Michigan yield to me further?

Mr. TOWNSEND. I will.

Mr. ROBINSON. I wish to say that I have not the slightest sympathy with the suggestion that the good, old-fashioned custom which the Senate has heretofore pursued of observing appropriately the Christmas holiday season should be abandoned now in the extremity in which we find ourselves. There is not a reason in the world why a Senator who wants to act in pursuance of the old custom should put himself in the attitude of having consented that other Senators should bear the responsibility and discharge the duties of the Senate and that he should abdicate the same and take advantage of a vacation. I think the Senate ought to take an appropriate holiday, and that is the reason I have offered the order which I have presented.

Mr. TOWNSEND. Mr. President, an appropriate holiday, if we want to observe the holiday season, would be to adjourn on Friday night next until a week from the following Monday. That would cover the proper holiday season. While I sympathize with the Senators who would like to go home, even though they have just come from home, yet I realize the congested condition of the legislation before the Congress to-day.

Mr. ROBINSON. Mr. President, I ask if there is anything personal in that allusion?

Mr. TOWNSEND. Certainly not. The Senator knows what my answer would be before he asks the question. But in

reference to legislation, and to the statement that there is nothing before the Senate, and that we are going to do nothing but pass appropriation bills, that may have been a tentative understanding on the part of some, but we have already shown that we do not intend to follow that course. There are matters which have been urged upon us by the Executive which every Member of the Senate knows ought to be acted upon, and yet at the beginning of the session we propose to say that we shall take two weeks vacation.

Mr. ROBINSON. Will the Senator yield further?

Mr. TOWNSEND. I yield.

Mr. ROBINSON. Will the Senator be kind enough to indicate what matters he desires to act upon within the period of the holiday season?

Mr. TOWNSEND. One of them is the bill that is now before the other House. I do not wish to make any suggestions in the face of the positive statements which have been made by some Senators, but I have just been over to the other House, and it is very doubtful whether the bill to which reference has been made and which it has been stated is coming over here to-night is going to be voted on to-night. That is a question which will have to be given consideration. There are other matters; for instance, the nitrate bill, which Senators are so anxious to get a vote upon.

Mr. THOMAS. And which is now the unfinished business.

Mr. TOWNSEND. Yes; which is now the unfinished business of the Senate. Senators have been urging that it is a matter of extreme importance and ought to receive immediate consideration. If it is true that that bill is so important—and I think it is important—I do not believe that we are going to excuse ourselves to our constituents for our failure to act upon it at the earliest possible moment, because of the fact that we want to go home and spend the holidays and lose two weeks of the time of the session. Therefore if we are going to vote on the motion of the Senator from Arkansas, at the proper time I desire to ask for a roll call, in order to place on record the action of the Senate upon it.

Mr. SMOOT. Mr. President, so far as I am personally concerned, I want to say that whether the Senate adjourns or whether it does not adjourn, I shall be here in Washington and shall have all that it is possible for me to do.

I think that with an adjournment there are a great many pieces of legislation that can be hastened. The Finance Committee will meet whether we are in session or whether we are not. The hearings on the measures pending before it will continue; and, so far as the Appropriations Committee is concerned, the District appropriation bill will come over; and the subcommittee having that bill in charge of course will be here and will consider that bill, and we hope that they will be ready to report when we come back.

If there were any legislation which could be hastened in any way by not taking an adjournment, even for a week, I would not want to adjourn, for I do not care now whether we adjourn or not; but there seems to me almost a universal feeling that we ought to adjourn for the holidays.

I discussed the question with a dozen or more of the Senators on both sides of the Chamber, and the legislative situation was such that all of them thought that those who really wanted to go could go, outside of the members of the Committees on Appropriations and Finance.

Mr. THOMAS. Mr. President, I am quite willing to agree to an adjournment for the holidays. We expected, I supposed, to do that. Some days ago I asked the leader of the majority, the Senator from Massachusetts [Mr. LOVELL], whether the usual adjournment for the holidays would take place this year. He said that it would not; that we would probably take an adjournment on Thursday prior to the 25th and reconvene on the succeeding Monday. I expressed my satisfaction with that arrangement, and I presumed that that was what the majority intended to do. I think it is what they should do. This, however, contemplates virtually an adjournment of the Senate, certainly a suspension of all the business of the Senate, for something over two weeks, or about two weeks.

I have assumed, and I think correctly, that the nitrate bill, which is now the unfinished business, was made the unfinished business because it was of great importance, at least in the opinion of those having charge of it and pressing it for consideration. If that be so, certainly the Senate can dispose of that measure, or ought to dispose of it, at least, between now and next Thursday afternoon. Hence, it will not do to say that the Senate has no business before it that can be done; and so far as the meetings of committees are concerned, the Senator knows very well that if the adjournment now proposed for the purpose of enabling Senators to go home takes place there can be no committee meetings.

Mr. SMOOT. I do not think it is going to be universal that Senators will want to go home.

Mr. THOMAS. I do not know why Senators, especially those living in adjoining States and at distances not too remote, should stay here if they are not going to do anything. I am inclined to think the Senator will have some difficulty, perhaps, even with his own committees. I know that the Senator from Utah will be here. He is here practically all the time. That goes without saying. But without reflecting at all upon anyone, it seems to me that those of us who stay here more constantly need less vacation than those who are not here quite so much.

Mr. SMOOT. Mr. President, I think the Senator from Massachusetts [Mr. LODGE], the leader of the Senate on this side, did intend that the Senate should adjourn on Thursday until Monday, as the Senator has said; but there were so many Senators who expressed themselves as desiring this adjournment that yesterday I called up Senator LODGE, who is ill at home, and asked him what he thought about the matter, and he asked me to consult some of the Senators upon this side and also upon the other side, and stated that if it was the consensus of opinion that an adjournment should be taken he had no objection to the adjournment. Of course, in offering the request, I offered it because I thought it was perfectly agreeable to Senators, and that there would be no objection to it; but I want to say that if there is any objection I do not want to have the Senate adjourn at all.

Mr. MCKELLAR. Mr. President, if the Senator will yield, I simply want to ask a question. In view of the very great importance of the War Finance Corporation legislation, and there being some doubt about whether it is going to pass to-night or Monday, ought we not to postpone any action about a program until after we know when that bill is coming back? I think it would be very, very unfortunate—

Mr. ROBINSON. Mr. President, will the Senator yield to me?

Mr. SMOOT. Yes.

Mr. ROBINSON. In view of the suggestion which the Senator from Tennessee [Mr. MCKELLAR] has made, and in view of the further fact that I am heartily in sympathy with the final disposition of the measure to which he has referred before a recess is taken, I withdraw my motion.

Mr. SMOOT. I thank the Senator. I asked the Senator to do that before, and I think it is the wise thing to do. Then, by Monday, we can decide just what to do.

Mr. President, if nothing else is coming up to-day, and if no other Senator has any business to present, I think the Senate ought to adjourn at this time.

Mr. SMITH of South Carolina. Mr. President, the unfinished business is a matter in which the senior Senator from Alabama [Mr. UNDERWOOD] is very vitally interested. I had intended to call up the bill this afternoon and let us begin its consideration; but in view of the fact that it is uncertain whether or not the Senator from Alabama will be back the first of the coming week, and in view of the further fact that we could hardly do much more this afternoon than have a preliminary discussion, I shall content myself with asking that it now be laid before the Senate, with a view to our taking such course as the Senate sees fit about further action on it.

Mr. ROBINSON. Mr. President, may I inquire of the Senator from South Carolina whether it is his purpose, in the event the Senator from Alabama [Mr. UNDERWOOD] is not here, to proceed with the consideration of the bill to which he just referred to its final conclusion before the holidays?

Mr. SMITH of South Carolina. I do not so intend, Mr. President.

Mr. ROBINSON. It is the unfinished business now. Nothing can be accomplished by bringing the matter forward now and pressing it; and that illustrates the force of the suggestion I made a moment ago.

I do not want to be absent from the Senate when that measure is considered and disposed of. I shall abandon my intention to return to my home in the South and remain here and assist in the completion of the bill, but I have felt, and I still feel, that we ought to reach a conclusion in the matter at the very earliest possible moment. In view, however, of the fact that the body at the other end of the Capitol will not dispose of the War Finance Corporation joint resolution this evening, I am willing to wait until Monday to determine this matter finally. Then I think we ought to decide whether or not we are going to proceed with the business of the Senate; and if Senators have determined that they are going to remain here during the holidays and exhaust the rhetoric of expression in the discussion of measures and not act on them, I shall still avail myself of the privilege of taking a brief holiday season, but if important

measures are to be disposed of I shall forego that pleasure and remain here.

Mr. SMITH of South Carolina. Mr. President, after consultation with several Senators who are very much interested in this legislation, I think that in view of the fact that the holidays are here and it remains the unfinished business, it should not interfere with whatever action we see fit to take about our recess, because I understand the Senator from Alabama [Mr. UNDERWOOD] would like to be present while the bill is under discussion. Therefore, until we finally decide what we are going to do about a recess, I shall not press the bill.

ADJOURNMENT.

Mr. CURTIS. I move that the Senate adjourn.

The motion was agreed to; and (at 3 o'clock and 40 minutes p. m.) the Senate adjourned until Monday, December 20, 1920, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

SATURDAY, December 18, 1920.

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

We bless Thee, our Father in heaven, for the profound truths handed down through the ages in Holy Writ; for the brave men and women who have assimilated and essayed to live them in their daily life; for our fathers who conceived, resolved, and maintained a government of the people with their life and substance, and who gave us a Constitution which has challenged the admiration of thinking men throughout the civilized world; for the brave and patriotic men who have upheld and maintained that Constitution under our national ensign through all of its vicissitudes, maintained and upheld Old Glory from its inception to the present moment; for every true American who lives for our Government and stands for its protection. In the name of liberty, truth, and justice. Amen.

The Journal of the proceedings of yesterday was read and approved.

REPORT OF INVESTIGATION BY COMMITTEE ON INDIAN AFFAIRS.

Mr. SNYDER. Mr. Speaker, I desire to present the final report (H. Rept. 1133) of the investigating committee of the Committee on Indian Affairs, with certain recommendations, and ask that the same be printed.

The SPEAKER. Is it a privileged report?

Mr. SNYDER. It is a report of an investigating committee presented for printing under the rule, that is all.

Mr. GARD. If the gentleman will yield, is the report a privileged report and has to be introduced in this way?

Mr. SNYDER. This is simply for printing. I do not ask for any exceptions. The committee makes this report with certain recommendations based on the investigations we have been making for the past year.

Mr. GARRETT. The resolution directed a report, as I remember.

Mr. HASTINGS. Of course, it could be made through the basket.

Mr. SNYDER. Well, it is immaterial how it is made. I simply wanted to get it before the House and get it printed.

The SPEAKER. Did the resolution authorize the committee to report at any time?

Mr. SNYDER. It directed it to report before the end of this session.

The SPEAKER. Without objection, the report will be printed.

Mr. MANN of Illinois. Mr. Speaker, should not the report be referred to the Committee on Indian Affairs?

Mr. SNYDER. This is a report of the Committee on Indian Affairs from that committee. After the matter had been fully considered and ready to present to the House, and by instructions of the committee, I am presenting this here now.

Mr. GARD. Will the gentleman yield?

The SPEAKER. It seems to the Chair this could be reported from the basket.

Mr. CAMPBELL of Kansas. Could not the report be made by the Committee on Indian Affairs, ordered printed, and referred to the Committee on Indian Affairs? That is where the report belongs.

Mr. GARD. Will the gentleman permit a question?

Mr. SNYDER. Yes.

Mr. GARD. Is the report made by a special committee?

Mr. SNYDER. The report is made by the whole committee. The subcommittee made the investigation, reported to the whole committee, and the chairman is now authorized to present this report from the whole committee.

Mr. GARD. This is a report of the full committee to the House?

The SPEAKER. The Chair thinks it could be properly entered through the basket.

LEAVE OF ABSENCE.

Mr. KINCHELOE. Mr. Speaker, I ask unanimous consent that indefinite leave of absence be granted to my colleague, Mr. ROUSE, on account of the serious illness of his mother.

The SPEAKER. Without objection, the leave is granted. There was no objection.

ENROLLED BILLS SIGNED.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. R. 13264. An act to provide for the award of a medal of merit to the personnel of the merchant marine of the United States of America;

H. R. 12887. An act establishing the liability of hotel proprietors and innkeepers in the District of Columbia;

H. R. 1865. An act for the relief of the Baltimore Dry Docks & Ship Building Co., owner of a dry dock at Baltimore, Md.; and

H. R. 7900. An act for the relief of Rudolph L. Desdunes.

DISTRICT OF COLUMBIA APPROPRIATION BILL.

Mr. DAVIS of Minnesota. Mr. Speaker, the unfinished business—

The SPEAKER. The previous question has been ordered on the District of Columbia appropriation bill, and the question pending is on agreeing to the amendment which the Clerk will report.

Mr. DAVIS of Minnesota. The vote was taken but was not announced.

The SPEAKER. A point of order was made that no quorum was present.

The Clerk read as follows:

Page 17, after line 14, insert a new paragraph as follows:

"Court of Appeals Building: For fitting up the top story and the basement of the Court of Appeals Building, including material and labor and each and every item incident to such work, \$22,000, to be available immediately."

The SPEAKER. The question is on agreeing to the amendment.

The question was taken, and the amendment was agreed to.

The bill as amended was ordered to be engrossed and read the third time, was read the third time, and passed.

On motion of Mr. DAVIS of Minnesota, a motion to reconsider the vote by which the bill was passed was laid on the table.

AMENDING SECTION 501 OF THE TRANSPORTATION ACT, 1920.

Mr. ESCH. Mr. Speaker, I am directed by the Committee on Interstate and Foreign Commerce to call up the bill (H. R. 14674) to amend section 501 of the transportation act of 1920, an identical Senate bill being on the Speaker's table. It is House Calendar No. 241. The Senate bill is S. 4526.

The SPEAKER. The gentleman from Wisconsin calls up Senate bill 4526, which the Clerk will report.

The Clerk read as follows:

A bill (S. 4526) to amend section 501 of the transportation act, 1920.

Be it enacted, etc., That section 501 of the transportation act, 1920, be amended to read as follows:

"Sec. 501. The effective date on and after which the provisions of section 10 of the act entitled 'An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes,' approved October 15, 1914, shall become and be effective is hereby deferred and extended to January 1, 1922: *Provided*, That such extension shall not apply in the case of any corporation organized after January 12, 1918."

Mr. ESCH. Mr. Speaker, section 501 of the transportation act amended section 10 of the Clayton Antitrust Act by extending the effective date to January 1, 1921. Shortly after the transportation act was passed Senator KELLOGG, of Minnesota, introduced a bill in the Senate amending section 10 of the Clayton Act and had it referred to the Interstate Commerce Commission for report. The communication was received by the commission and was referred to counsel and report made by counsel to the commission, but through inadvertence it was overlooked, possibly on account of the tremendous amount of work which was imposed upon the commission as a result of the enactment of the transportation act. The Senate committee, therefore, had no opportunity of considering the amendment to section 10 in the session which ended June 5.

It has been impossible for either the House or Senate committee to amend section 10 in the two weeks of this session

which have thus far elapsed. Hence we come to Congress seeking a further extension of the effective date of section 10 of the Clayton Act to the 1st of January, 1922. I think all of those who have examined section 10 of the Clayton Act realize the necessity of amending it because of some provisions of the transportation act. There is clearly a conflict now between section 10 of the Clayton Act and the transportation act. Section 10 of the Clayton Act has to do with dealings in securities, supplies, and other products, while now the transportation act takes care of securities by giving the Interstate Commerce Commission control thereof. That is only one point which necessitates an amendment of section 10. To carry out section 10 as originally drafted would mean a large and an unnecessary expense in many particulars, imposed upon carriers, and would also work an unnecessary hardship, and besides, in the light of the transportation act being in certain respects unworkable. The committee therefore has unanimously reported the House bill, which is identical with the Senate bill, extending the effective date of section 10 of the Clayton Act to the 1st of January, 1922.

Mr. CARAWAY. Is this the clause of the bill that has to do with the purchasing agents and others?

Mr. ESCH. Where the director, stockholder, and purchasing agent are common between the carriers and the selling company or corporation.

Mr. CARAWAY. Is it the same that has been before the Judiciary Committee eight or ten times, wanting an extension?

Mr. ESCH. Yes; there have been two or more extensions.

Mr. CARAWAY. All of which means that the companies have not been able to adjust themselves to the changes?

Mr. ESCH. That was true before the transportation act was passed. Section 10 will have to be amended anyhow. The reason why the Committee on Interstate and Foreign Commerce gets jurisdiction of this bill is because it amends a section of the transportation act.

Mr. CARAWAY. They were not able to get down to the Committee on the Judiciary, and they swapped jurisdiction with them?

Mr. ESCH. The Committee on the Judiciary has twice had it.

Mr. CARAWAY. And has twice refused.

Mr. ESCH. Our committee has jurisdiction of this. I referred it to Chairman VOLSTEAD and he had no objection to our committee taking jurisdiction of it.

Mr. WINGO. Is this the usual annual request for suspending the provision of the law with reference to the joint purchases of railroads? I do not remember the particular promise made to us a year ago, but some kind of promise was made a little different from the regular annual promise about legislation that would cure this permanently. What is going to be done about this in the way of permanent legislation? Ever since I have been a Member of Congress this has been an annual performance, and the RECORD will show that I have exacted some kind of promise that some Member of the House would bring in legislation that would cover it, once a year.

Mr. ESCH. Our committee does not want to encroach on the Committee on the Judiciary, and in offering this amendment we do not, because we amend the section of the transportation act; that is clearly within our jurisdiction. And I will say that a bill has already been introduced seeking to amend section 10, and possibly an opportunity may be given before this Congress ends to give a hearing with a view to amending the provisions of section 10.

Mr. WINGO. The only difference between the gentleman's promise now and the chairman of the Judiciary Committee heretofore is that heretofore the chairman of the Judiciary Committee has said that they have taken up the question of amending the antitrust law. This section has not been covered in the regulations of the transportation act. The gentleman in charge of that particular class of legislation in this House says that they will take it up and consider it. Why did they not cover it by permanent legislation satisfactorily when they had up the transportation act? Why continue to act under suspension? We all know that that is what is being done.

Mr. ESCH. I do not think that the Committee on Interstate and Foreign Commerce should be chargeable with any laches in the amendment of section 10 of the Clayton Act. It was not presented in the transportation act in the Senate or House. We did not feel as conferees that we had an opportunity to go into amending section 10 of the Clayton Act.

Mr. WINGO. Do you mean to say that they made no suggestion that would cover this, which, as every man knows, is a serious proposition on the bill?

Mr. ESCH. They did after the conferees had been appointed, and they filed briefs, but we had so many other problems in connection with transportation that we felt we could not go into section 10 and do it justice.

Mr. GARD. Will the gentleman yield?

Mr. ESCH. I yield.

Mr. GARD. Does the gentleman say he has taken this matter up with the chairman of the Committee on the Judiciary?

Mr. ESCH. I saw the chairman in reference to this bill, and he was willing to relinquish jurisdiction, and he told me to go ahead.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. Esch, a motion to reconsider the vote by which the bill was passed was laid on the table.

On motion of Mr. Esch, the bill H. R. 14674, identical with the Senate bill, was ordered to lie on the table.

CODIFICATION OF THE LAWS.

Mr. LITTLE. Mr. Speaker, I ask unanimous consent to address the House for three minutes.

The SPEAKER. The gentleman from Kansas asks unanimous consent to address the House for three minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. LITTLE. Mr. Speaker, in September, 1919, the Committee on Revision of the Laws presented to the House the record of the hearings on the bill to establish a Code of the Laws of the United States, including letters from many United States attorneys and United States judges, urging the necessity for such a code, some of which were repeated in the report made by the committee to the House last March. There were letters from 56 Federal attorneys, district judges, and judges of the circuit court of appeals establishing the fact that such code is absolutely essential. Since then many other friendly letters have reached the committee, and I present this morning two from justices of the Supreme Court of the United States which will interest the House:

HON. EDWARD C. LITTLE, M. C.,
House of Representatives, Washington, D. C.

DEAR SIR: I have received the calendar print of the Laws of the United States and thank you very much for the same. The amount of research and industry which you exhibit in your bill is wonderful.

Respectfully, yours,

JOSEPH McKENNA.

MAY 14, 1920.

HON. EDWARD C. LITTLE,
House of Representatives, Washington, D. C.

DEAR SIR: I have your favor of the 29th ultimo, and have just received a copy of your bill for the revision of the statutes of the United States. So far as opportunity has offered I have examined it, and it seems to me that the work is well and thoroughly done. Thanking you for the favor, I am,

Very truly, yours,

WILLIAM R. DAY.

MAY 10, 1920.

Mr. Speaker, I ask unanimous consent to insert in the RECORD the letters referred to.

The SPEAKER. Is there objection?

There was no objection.

Mr. LITTLE. Your attention is requested to the following letters:

REPLIES FROM UNITED STATES DISTRICT ATTORNEYS.

MOBILE, ALA.

I unhesitatingly say that there is no book, or set of books, more needed in the Federal practice than a publication of the Federal statutes, compiled and revised.

ALEXANDER D. PITTS.

BURLINGTON, VT.

There is no question but what such a revision of the statutes of the United States is absolutely necessary.

VERNON A. BULLARD.

SAN ANTONIO, TEX.

I am glad to have the opportunity of saying with all the emphasis possible that I do not know of anything that would be more useful and helpful to the Federal judges, district attorneys, practitioners in the Federal courts, and citizens generally than a careful and authoritative compilation and revision of the acts of Congress.

HUGH R. ROBERTSON.

KNOXVILLE, TENN.

It affords me much pleasure to reply and to assure you that this is practically an absolute necessity, both for the use of Government officials and practitioners generally. As you know, the last compilation of the Revised Statutes was about 1878, and since that time more general legislation has been enacted by Congress than during the preceding 100 years. Therefore the Revised Statutes are practically useless to Government officials.

WESLEY T. KENNERLY.

PORTLAND, OREG.

I feel that a compiled and revised publication of the Federal statutes is a necessity. It certainly would be very useful to any practitioner of law who has occasion to practice in the Federal courts, particularly with reference to criminal matters.

BERT E. HANEY.

PETERSBURG, VA.

I can not now recall any law book of which there would be a more extensive use than the statutes of the United States officially brought down to date. In my experience as United States attorney for nearly five years I have been at times greatly embarrassed through the inability to find promptly the Federal statutes bearing upon particular subjects; and notwithstanding the fact that there are now certain publications claiming to cover the field of the Federal statute laws, I do not think that any of them will take the place of the official revision to which you refer.

RICHARD H. MANN.

FORT WORTH, TEX.

In my opinion there is a very great necessity for the careful, compact revision of the Federal statutes. I feel certain that such revision would be of great service to the bar, bench, and litigants.

W. M. ODELL.

MEMPHIS, TENN.

I think it of great importance that the Federal statutes be codified. It is almost impossible now to find the statutes, and a lawyer feels uncertain about the existence or nonexistence of Federal statutes because the indexes are so voluminous, and unless you get the right key to the indexes there is great likelihood of overlooking important statutes.

WILLIAM D. KYSER.

SEATTLE, WASH.

I am particularly convinced of the necessity and importance of an authorized and authentic compilation and revision which proves itself. I have found in the compiled statutes—a convenient but unauthorized compilation—manifest errors whereby certain penalties appeared to be attached to certain acts, when in fact entirely different penalties were by the original act of Congress attached to the commission of those acts.

ROBERT C. SAUNDERS.

FARGO, N. DAK.

We certainly do need a revision of the Federal statutes. I am glad that this work is going to be done. It is woefully needed.

MELVIN A. HILLDRETH.

MARTINSBURG, W. VA.

I have thought for a long time that there should be a revised publication of the Federal statutes. * * * This need has been apparent for many years. * * * The fact is, as the laws are now compiled it is often very difficult to find a statute, and then sometimes it is hard to determine whether it is in existence, whether it has been repealed or amended, and such information requires great research through the different volumes of compiled statutes and Statutes at Large.

STUART W. WALKER.

MONTGOMERY, ALA.

I certainly do think a revised publication of the Federal statutes compiled and revised in two books, so that a man could find easily and rely upon the information, is almost an absolute necessity at this time.

THOMAS D. SANFORD.

CLARKSDALE, MISS.

I consider it highly necessary and extremely useful that there be a revised publication of the Federal statutes. * * * The trouble now is finding the law, and the chances are that when one finds the statutes it will take quite a little time to determine whether or not the statutes have been amended or repealed.

W. S. HILL.

JUNEAU, ALASKA.

The statutes since 1878 are so scattered through various volumes that it makes it almost impossible to know what is the law on any given subject, and certainly there should be a revision.

JAMES A. SMISER.

MILWAUKEE, WIS.

A revision and codification of Federal statutes is seriously needed by both bench and bar. Under present conditions it is many times difficult to find the particular statute wanted and oftentimes very difficult to satisfy oneself that he has found all the statutes applicable to or bearing on the matter or subject involved.

H. A. SAWYER.

KANSAS CITY, KANS.

My idea about the matter is that there should be another complete revision, carefully prepared and annotated, in either one or two volumes. The indexing would be a very important part of a work of this character.

FRED ROBERTSON.

MUSKOGEE, OKLA.

In my opinion the Revised Statutes of the United States ought to be revised and codified. The present Revised Statutes stand as they did in 1878. It occurs to me that possibly 50 per cent of the sections of law in that revision have either been repealed, held unconstitutional, or amended in some form. It certainly can no longer be relied upon as stating the law now in force on a given subject.

W. P. MCGINNIS.

VALDEZ, ALASKA.

Such publication is surely desirable and almost a necessity at this time. A new publication embracing all the statutes up to date is particularly desirable at the present time, in view of the large number of statutes on very important subjects enacted during the last several years.

WILLIAM A. MUNLY.

NASHVILLE, TENN.

I am in favor of a revised publication of the Federal statutes in one book if possible, or two books if the compilation can not be made in one book.

LEE DOUGLAS.

FLORIDA.

From my experience in examining the statutes, it seems to me that such a compilation and revision, with especial attention given to the indexing of the same, would be of great value to the bench and the bar. Very often Congress embodies a criminal provision in an appropriation act, thereby making the same difficult to find. In my opinion such a compilation and revision would be of special value with reference to the laws defining and punishing crime.

H. S. PHILLIPS.

WILMINGTON, DEL.

In my opinion a revised publication of Federal statutes would be most useful and helpful to bar and bench and litigants, and I think it would be most expedient from the standpoint of the Government.

CHARLES F. CURLEY.

DETROIT, MICH.

If they could all be revised and compiled into two or three volumes, which would authentically bring down in those volumes all of the general laws of the United States in force, it would be a very great aid to this office and to the legal profession generally.

JOHN E. KINNANE.

SAN JUAN, P. R.

In my experience as United States attorney I have been impressed with the importance of a revision and republication of Federal statutes up to date in a form that could be easily handled. Such a publication as you refer to I believe would be most helpful to the bar and bench and to the litigant.

MILES M. MARTIN.

LOUISVILLE, KY.

A bill to codify and revise all the general and permanent laws of the United States in force on March 4, 1919, is one of great importance as well as magnitude.

WALTER EVANS.

FROM UNITED STATES DISTRICT JUDGES.

FLORIDA.

I know of no matter requiring more immediate attention than providing the bench and bar with an official revision of the Federal statutes. It is almost impossible to arrive with certainty at just what the statutory law of the United States now is. I sincerely hope that your committee will see that this revision is made by the present Congress.

R. M. CALL.

NEW YORK STATE.

In my opinion an official revision and publication of the Federal statutes is an urgent and pressing necessity. The bench and the bar would be greatly aided by such a publication and such a revision. If this is properly done hundreds of thousands of dollars will be saved to litigants and the judges will be relieved of much worry and anxiety incident to the decision of cases. Such a revision, consolidation, and compilation will be of great assistance to the lawyers.

GEORGE W. RAY.

PORTLAND, OREG.

It has long been obvious that there is a great and urgent necessity for an official publication of the compiled and revised Federal statutes. A new revision would serve to clear up much confusion that the statutes have fallen into by reason of many amendments and subsequent conflicting legislation.

CHARLES E. WOLVERTON.

NEW YORK CITY.

At present it is impossible to get an adequate understanding from official publications of the questions that are pending upon Federal statutory law without an enormous amount of examination of independent statutes.

LEARNED HAND.

BLOOMINGTON, ILL.

There can be no question as to both the advisability and the desirability of a revision and compilation of the statutes of the United States.

LEWIS FITZ HENRY.

BALTIMORE, MD.

I am greatly of the opinion that a new collection of Revised Statutes is sadly needed.

JOHN M. ROSE.

SAN FRANCISCO, CALIF.

You ask my opinion of the value and necessity of a compilation and revision of the Federal statutes. I am unhesitatingly and strongly in favor of such work. The revision of 1878 is, of course, now very old and incomplete, and by reason of the amendments from time to time of many sections as therein revised, does not present a safe reliance for those called upon to make use of it. A new revision, therefore, of the statutes down to the present date would undoubtedly be of the greatest value to bench and bar alike, and indeed I may say that so far as the judges are concerned we find a growing need for it. I think you will find no division of sentiment on the subject with the bench and bar, and I would be greatly pleased to learn that there is a disposition on the part of your committee to have such a revision made.

WILLIAM C. VAN FLEET.

CRESCO, IOWA.

I have no hesitancy in saying that in my judgment a new or revised edition of the statutes of the United States to and including the acts of the present Congress is not only advisable but almost a necessity to enable the courts and bar to readily ascertain the existing public laws of the United States. The difficulty and burden of ascertaining the present status of the laws of Congress is very apparent. The important thing I wish to urge is the necessity of a new revision of the statute law of the United States at the earliest possible date.

HENRY T. REED.

MADISON, WIS.

A one-volume edition of the Federal statutes which would have general application would be exceedingly useful, and I hope such a volume may be brought out under the direction of the revision committee.

A. L. SANBORN.

CHARLESTON, S. C.

An officially compiled publication of the Federal statutes, revised so as to include all changes and additions to date, would be exceedingly valuable.

HENRY A. M. SMITH.

MOBILE, ALA.

In my opinion there has been for a long time a necessity for a revised copy of the Federal statutes. It is quite a burden to look up what is needed from such statutes. I am certainly glad to see a prospect of an early revision.

ROBERT T. ERVIN.

HARTFORD, CONN.

It would seem to me that there is great necessity for an official publication of a revised and compiled copy of the Federal statutes.

EDWIN S. THOMAS.

PROVIDENCE, R. I.

It would seem necessary that there should be some verification by public authority of the accuracy of private print.

ARTHUR BROWNE.

GUTHRIE, OKLA.

I am decidedly of the view that the Federal laws should be compiled and published in compact form. A compilation in one volume would be of undoubted value and convenience in referring readily to existing statutes.

JOHN H. COTTERAL.

COLUMBUS, OHIO.

It would be of great advantage to both the bench and the bar if there could be brought together in a single volume a compact, systematic, well-indexed issue of the Revised Statutes of the United States. There is a real need of such consolidation. I often have considerable difficulty in tracing the law through the Statutes at Large * * * and I find that attorneys of large experience and extensive practice in the Federal courts have difficulty in locating specific acts of Congress. A set of statutes, well indexed, will greatly facilitate the work of anyone interested in any wise in the Federal laws.

JOHN E. SATER.

CHICAGO, ILL.

A publication of revised and compiled Federal statutes—with references to judicial holdings—would be of very great use to the bench and bar and—considering that the citizen is conclusively presumed to know the law—the publication should be official rather than a thing gotten up by private enterprise.

KENESAW LANDIS.

SIOUX FALLS, S. DAK.

It has been so long since the compilation and revision of the United States Statutes that they are practically valueless. Such a publication as you suggest is, in my judgment, very desirable.

JAMES D. ELLIOT.

PITTSBURGH, PA.

I believe that such a consolidation would be exceedingly valuable to the bench and bar.

CHARLES P. ORR.

NEW ORLEANS, LA.

I think such a work is highly desirable. Notwithstanding very excellent compilations by private parties, whenever I want to know what the law is I go to the original sources. The committee that did the work on the judicial code produced a splendid law book.

RUFUS G. FOSTER.

MEMPHIS, TENN.

Undoubtedly such work would be of great assistance to the bench and bar and I think would be most useful.

JOHN E. MCCALL.

DENVER, COLO.

I think it is quite necessary from time to time that the Federal statutes be compiled embodying, of course, only the acts of general importance.

ROBERT E. LEWIS.

IOWA CITY, IOWA.

I feel that it would be a good thing to have the Revised Statutes compiled as suggested.

MARTIN G. WADE.

SHREVEPORT, LA.

I think a work such as you contemplate would be of much value, but it appears to me what is more needed is that the original Revised Statutes be brought down to date; in other words, that the Statutes at Large since the Revised Statutes be revised and be made easy for reference.

GEORGE WHITFIELD JACK.

CIRCUIT COURT OF APPEALS.

NORTH CAROLINA CIRCUIT COURT OF APPEALS.

In view of the confusion existing owing to the present condition of the statutes it is absolutely essential that this work be done at an early date. I think it should be done by all means.

J. C. PRITCHARD.

CHICAGO UNITED STATES CIRCUIT COURT OF APPEALS.

I think such a publication both desirable and necessary.
EVAN A. EVANS.

NORTH CAROLINA CIRCUIT COURT OF APPEALS.

I earnestly support the proposition for the revision of the Federal statutes.

C. A. WOODS.

ALABAMA CIRCUIT COURT OF APPEALS.

It does not seem to me to be open to question that such a revision is to be desired. * * * Not infrequently the task of ascertaining what is the existing Federal statute law is a difficult one.

R. E. WALKER.

UNITED STATES CIRCUIT COURT OF APPEALS,
FOURTH JUDICIAL DISTRICT.

Such publication would be of great value to the judges and lawyers of the United States. I trust that the proposed revision will be undertaken by your committee.

MARTIN A. KNAPP.

NEW YORK CITY UNITED STATES CIRCUIT COURT OF APPEALS.

There could and should be published now a work containing in appropriate chapter headings the general laws in force arranged by sections as in the Revised Statutes with references to the Statutes at Large for origin. An official general statute book containing the existing law is much needed.

C. M. HOUGH.

NEW YORK CITY UNITED STATES CIRCUIT COURT OF APPEALS.

I think a revised edition of the Federal statutes would be very useful to the bench and bar.

H. G. WARD.

UNITED STATES CIRCUIT COURT OF APPEALS OF MICHIGAN.

A complete revision after the style of the old Revised Statutes and after the model for the Revised Judicial Code would be a fine thing.

A. C. DENISON.

CHICAGO UNITED STATES CIRCUIT COURT OF APPEALS.

If the proposed official revision extend beyond compilation and rearrangement and would proceed at least to the extent of harmonizing apparent contradictions, omitting repetitions, the redrafting of some laws to comply with judicial construction thereof—in fact, the revision of things substantive as well as those which concern only arrangement and form—I believe it is a task, though huge, it would be well to undertake. Sooner or later this must be done.

SAMUEL ALSCHULER.

When the Revised Statutes were prepared the Federal laws were scattered through only 17 volumes of the Statutes at Large. Now they are to be found in 36 such volumes, public and private, of which the Revised Statutes is one—the first. If such an accomplishment was necessary then, and difficult then, how necessary and how difficult it must be now, when we have more than twice the amount of enacted law in existence.

Mr. CLARK of Missouri. Mr. Speaker, will the gentleman yield?

Mr. LITTLE. Yes.

Mr. CLARK of Missouri. I would like to know, if you are going to try that process, whether there are any changes in the law or not?

Mr. LITTLE. Our purpose has been to make simply a codification without any changes in the law. The gentleman from Virginia [Mr. MOORE] and I addressed the House yesterday—

Mr. CLARK of Missouri. I know that—

Mr. LITTLE. And we assured the House that we felt satisfied that there are not any changes. We have given it the very greatest attention. The Record of this morning contains the remarks of the gentleman from Virginia and myself, giving the history of the work, and I think that will answer the gentleman's question. We have good reason to say that more care was taken than then, even.

Mr. GARRETT. Mr. Speaker, will the gentleman yield?

Mr. LITTLE. Yes.

Mr. GARRETT. I would like to ask the gentleman if he can give the House any information as to the probability of getting consideration of the measure which his committee has prepared?

Mr. LITTLE. I hope at an early date, perhaps on Monday, suspension day, to move a suspension of the rules and ask the House to take up the bill and pass it.

Mr. GARRETT. Without reading?

Mr. LITTLE. Without reading except by title, as was practically done at the other time, in 1874, the only time such a bill has been before the House. In this morning's RECORD I inserted extracts from the Record of 1874, showing just what they did.

Mr. HASTINGS. The gentleman means next Wednesday?

Mr. LITTLE. No; next Monday.

Mr. HASTINGS. This coming Monday?

Mr. LITTLE. Yes; the committee is unanimous in the favorable report. It would take two months of the time of the House to read this bill—all of its time—even if there were no interruption.

I have in my hand here a copy of the first laws of the United States, published in New York in 1789, at the end of the first session of the First Congress. If the reading clerk will hold up a copy of this bill while I hold up in my hand this copy of the first laws, the Members can see the difference in size. The House will see by that means the growth and development of our laws.

There is on the flyleaf of this book the name of "G. Washington," written with his own hand. This I take to be one of the choicest relics in the Library. So far as I can judge, this is the first copy issued from the press of the publication of the first laws of the United States, and naturally it went to the Father of the Republic, who was so much interested in it. I thought the House would be glad to see this little relic when they are invited again to look into the features of the bill to enact the code.

They had a book containing all the laws. We have no such publication by our Government.

On September 26, 1919, the learned Judge Charles M. Hough, of the United States Circuit Court of Appeals in New York City, addressed the committee. He said:

"Mr. Chairman, I may be pardoned for closing with the fable that I learned as preparatory to the same institution of learning at which your fellow Member, Mr. BURROUGHS, and myself gained our degrees. You will remember the tale of the cruel tyrant who affixed the terrible penalties to his laws and then put the written laws on top of high columns so that nobody could read them and punished infractions of them as severely as if each citizen had read them. I submit, gentlemen of the committee, that for 40 years the United States, in a modern sense, has been pursuing the same course. While the laws of the United States are not put on top of high columns they might just as well be, for the purpose of practitioners—the largest number of practitioners, too—who conduct their offices and get their clients and do their business at some distance from a city containing any extensive law library. For them the laws of The Laws of the United States might just as well be buried. Is it not time to resurrect them?"

Mr. CAMPBELL of Kansas. Mr. Speaker, I submit a report from the Committee on Rules.

QUESTION OF PRIVILEGE.

Mr. LUCE rose.

The SPEAKER. For what purpose does the gentleman from Massachusetts rise?

Mr. LUCE. I rise to a question of constitutional privilege. I request that the Clerk read the first section of Senate joint resolution 212.

The SPEAKER. Is the question of privilege based on that?

Mr. LUCE. The question of privilege is based on this section.

The SPEAKER. The Clerk will read the Senate joint resolution.

The Clerk read as follows:

Joint resolution (S. J. Res. 212) directing the War Finance Corporation to take certain action for the relief of the present depression in the agricultural sections of the country, and for other purposes.

Resolved, etc., That the Secretary of the Treasury and the members of the War Finance Corporation are hereby directed to revive the activities of the War Finance Corporation, and that said corporation be at once rehabilitated with the view of assisting in the financing of the exportation of agricultural and other products to foreign markets.

Mr. McFADDEN. Mr. Speaker, in view of the importance of this measure, I will suggest the absence of a quorum. I make the point of no quorum.

The SPEAKER. The gentleman, of course, has that right. It is a matter that should be, I suppose, directed to the attention of the Chair. The gentleman from Pennsylvania makes the point that there is no quorum present. [After counting.] Evidently there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Andrews, Md.	Crowther	Gallivan	Holland
Anthony	Cullen	Gandy	Hull, Iowa
Babka	Currie, Mich.	Ganly	Hutchinson
Baer	Darrow	Godwin, N. C.	Igoe
Benson	Davey	Goldfogie	Ireland
Blackmon	Dent	Good	James, Mich.
Booher	Dominick	Goodall	Johnson, Ky.
Britten	Donovan	Gould	Johnston, N. Y.
Browne	Doolling	Graham, Ill.	Jones, Pa.
Burke	Edmonds	Graham, Pa.	Kelley, Mich.
Caldwell	Ellsworth	Griest	Kendall
Candler	Emerson	Griffin	Kennedy, Iowa
Carew	Ferris	Hamill	Kennedy, R. I.
Casey	Fields	Hamilton	Kless
Christopherson	Fish	Hawley	King
Copley	Flood	Hays	Kitchin
Costello	Freeman	Hersman	Kraus
Crago	Fuller, Mass.	Hill	Kreider

Leshner	Mott	Rayburn	Sinclair
Loneragan	Neely	Reed, N. Y.	Smith, N. Y.
McCulloch	Nelson, Wis.	Riordan	Steele
McGlennan	Nolan	Robinson, N. C.	Stines
McKiniry	O'Connell	Romjue	Sullivan
McKinley	Paige	Rouse	Voigt
McLane	Patterson	Rowan	Volk
Madden	Pell	Rubey	White, Me.
Maher	Perlman	Sanders, Ind.	Williams
Mason	Pou	Sanders, La.	Wise
Mead	Radcliffe	Sanford	Zihlman
Mooney	Rainey, Ala.	Scully	
Morin	Ransley	Shreve	

The SPEAKER. On this roll call 306 Members have answered to their names. A quorum is present.

Mr. MONDELL. Mr. Speaker, I move to dispense with further proceedings under the call.

The SPEAKER. The gentleman from Wyoming moves to dispense with further proceedings under the call.

The motion was agreed to.

The SPEAKER. The Doorkeeper will open the doors.

Mr. DOWELL. Mr. Speaker, I raise the point of order that there is no question of privilege properly raised at this time.

The SPEAKER. The gentleman from Massachusetts has not stated his question yet. The Chair thinks the gentleman has a right to state it.

Mr. DOWELL. I merely desire to raise the question of order that the resolution just read is not the basis for the privilege suggested by the gentleman from Massachusetts, and can not be made so under the rules of the House; and, therefore—

The SPEAKER. The Chair has not heard the gentleman from Massachusetts state his question yet. The Chair can hardly rule that it is not in order when the Chair does not know what it is.

Mr. DOWELL. I want to raise the question at the proper time.

The SPEAKER. The gentleman shall have his opportunity. The gentleman from Massachusetts will proceed.

Mr. LUCE. Mr. Speaker, inasmuch as there are gentlemen present who did not hear the reading of the section in question by the Clerk, I trust I may be permitted to repeat it in order that the point that I shall raise may be understood.

This section says:

Resolved, etc., That the Secretary of the Treasury and the members of the War Finance Corporation are hereby directed to revive the activities of the War Finance Corporation, and that said corporation be at once rehabilitated with the view of assisting in the financing of the exportation of agricultural and other products to foreign markets.

Mr. BLANTON. Mr. Speaker, I raise the point of order that there is no constitutional privilege giving the right of filibuster in the House of Representatives.

The SPEAKER. The Chair does not know that this is a filibuster.

Mr. BLANTON. This has been read once to the House.

The SPEAKER. The Chair overrules the point of order.

Mr. DOWELL. I desire to raise another question of order, that the resolution is not properly before the House, and that this question can not be raised at this time, if there is a constitutional question here at all, until it is properly before the House. I raise that point of order.

The SPEAKER. The Chair has no idea yet what the point is that the gentleman from Massachusetts [Mr. LUCE] is raising. The Chair thinks he ought to hear it before he passes upon it.

Mr. WINGO. Mr. Speaker, I make the point of order that the gentleman from Massachusetts can not possibly raise the question of privilege that he has attempted to state. The gentleman stated that he rose to a question of "constitutional" privilege. There is no such proposition. There are just two questions of privilege, one a question of the "privilege of the whole House" and the other a question of "personal privilege." Either one of them might be founded upon a constitutional provision or restriction, but the gentleman ought to raise a question either of the "privilege of the whole House" or of "personal privilege."

The SPEAKER. The Chair understood the gentleman from Massachusetts to say that it was a question of "privilege of the whole House."

Mr. BLANTON. No; he said "constitutional privilege."

Mr. LUCE. It was my intention to raise a question of the privilege of the whole House. If I may be permitted to state the question of privilege, I will say that it is based upon the first clause of the seventh section of the first article of the Constitution, which says that—

All bills for raising revenue shall originate in the House of Representatives.

And at the proper time I propose to give effect to the privileges of the House by the same procedure as that formerly followed, namely, the presentation of a resolution modeled in the language of one presented by Mr. Sereno E. Payne when chairman of the Committee on Ways and Means, as follows:

Resolved, That the first section of Senate joint resolution 212 in the opinion of this House contravenes the first clause of the seventh section of the first article of the Constitution of the United States and is an infringement of the privileges of this House, and that the said resolution be respectfully returned to the Senate with a message communicating this resolution.

Mr. WINGO. Mr. Speaker, I rise to a point of order. I will not undertake to base it upon the question that this is not the proper time to raise the gentleman's point of order, even if it were sound. The point of order is that section 1 of this joint resolution does not propose to raise revenues. It does not say so. It will be contended by its opponents that it is a joint resolution to drain revenues from the Treasury instead of raising revenues. It is a bill to rehabilitate an agency of the Government that now exists under law by requiring the executive officers to make it function as provided by law. That has nothing to do with raising revenue.

Mr. DOWELL. Mr. Speaker, a point of order. It is apparent now, from the statement of the gentleman from Massachusetts [Mr. LUCE], that the question is not in order at this time. This resolution is not before the House. It has not been properly brought before the House, and therefore the gentleman is entirely out of order in attempting to raise this question in this way.

Mr. LUCE. Mr. Speaker, may I be heard on the point of order?

The SPEAKER. The Chair will say to the gentleman from Iowa that the resolution has been passed by the Senate.

Mr. DOWELL. The fact that the resolution has been passed by the Senate does not permit a Member to raise at any time a question of privilege. If the House takes it up, it is before the House, but it has not been brought before the House at this time. I raise that question.

Mr. MANN of Illinois. Mr. Speaker, I make the point of order that the gentleman from Massachusetts has not presented a question of privilege, constitutional or otherwise, so that that may be before the Chair.

Mr. WINGO. That is the point of order I made.

Mr. MANN of Illinois. The gentleman made the point of order that it did not raise revenue.

Mr. WINGO. I also made the point of order that the gentleman had not stated a question of privilege, and then I gave as a reason that it did not propose to raise revenue.

The SPEAKER. The Chair will take one point at a time.

Mr. CLARK of Florida. Mr. Speaker, I am opposed to the position of the gentleman from Massachusetts, but he has not had an opportunity to state what he is trying to get at. If these gentlemen will let him alone, he will state his point.

Mr. LUCE. If I am to address myself to the point of order I may remind the Speaker of that with which he is already familiar, namely, that similar questions of privilege have been repeatedly raised in this House. I have before me the volume of Hinds' Precedents containing several pages describing similar questions of privilege and detailing discussion thereon. I have before me the debates of the Twenty-fifth Congress, first session, containing the record of an episode in the year 1837, where precisely the same matter was brought to the attention of the House. It has always been open to discussion as a matter of high privilege. I can not understand how, in view of the unbroken record of precedents, this can be doubted. A Member has a right to lay before the House at the proper time the reasons why proposed legislation may not be properly considered by this body. If the Chair desires, I will give him the references to repeated instances in which precisely this thing has been done, and as far as I know at the same time in the course of procedure at which I am trying to do it, and under absolutely similar circumstances.

The SPEAKER. The Chair thinks the gentleman should present the question in the resolution that he read. The Chair thinks the resolution should be pending.

Mr. LUCE. Then, Mr. Speaker, I offer the resolution.

The SPEAKER. Let the resolution be reported.

The Clerk read as follows:

Resolved, That the first section of Senate joint resolution 212, in the opinion of this House, contravenes the first clause of the seventh section of the first article of the Constitution of the United States and is an infringement of the privileges of this House, and that the said resolution be respectfully returned to the Senate with the message communicating this resolution.

Mr. MANN of Illinois. Mr. Speaker, I make the point of order that the resolution is not in order, and I ask for the regular order to reinforce that point of order.

Mr. LUCE. On the point of order I will call your attention, Mr. Speaker, to the second volume of Hinds' Precedents, paragraph 1491, where the matter arose on a point raised by William H. Calkins, of Indiana, to the effect that a resolution of like nature to this was not in order, either to be offered or con-

sidered, until the bill to which it referred was brought before the House for consideration. After debate the Speaker said:

The resolution offered by the gentleman from Georgia is offered by him for the purpose of raising the question of constitutional privilege, a question involving the constitutional prerogatives of the House in the formation of revenue bills. And in practice this has always been held to be a matter of high privilege. The only question raised now by the point of order of the gentleman from Indiana is as to the matter of time of raising the question, and it is suggested that the bill is not before the House for consideration, and hence that it is too soon to make the point of order raised by the gentleman from Georgia. In argument it is said that the House does not know officially what the bill contains for the purpose of determining the question.

The Chair does not take that view of the matter at all. The bill has been returned to the House by the official direction of the Senate. It goes, under the rules of the House, it is true, to the Speaker's table, but the House has taken notice of it there, has ordered it to be printed, and it is before the House for its action. It is sufficient to say that if the matter was under consideration once in the House, under the rules, in the opinion of the Chair, it would then be too late to raise this question of constitutional privilege against it, so that the House must look to the bill to determine that question before it proceeds to consider it at all.

The House must look to the bill. This is the first reasonable opportunity that the House has had to look to the bill.

Mr. LONGWORTH. Will the gentleman yield?

Mr. LUCE. Yes.

Mr. LONGWORTH. Was not that a case where the bill had passed the House and gone to the Senate, and then was afterwards returned to the House?

Mr. LUCE. Yes.

Mr. LONGWORTH. This resolution has never been before the House for consideration.

Mr. LUCE. It has never been before the House and therefore the time to raise the point is now.

Mr. DOWELL. How is the resolution before the House at this time?

Mr. LUCE. Because it has been reported to the House by the Committee on Banking and Currency.

Mr. DOWELL. But it is not before the House for consideration.

Mr. LUCE. Speaker Keifer ruled that the point must be raised before the bill is up for consideration by the House.

Mr. LONGWORTH. If the gentleman will pardon me, I tried to hear the reading of the resolution. Was not the ruling based on the point that it had consideration by the House?

Mr. LUCE. On the contrary, the point was raised that it had not been considered by the House, and that when it was up for consideration the point could not be raised.

Mr. LONGWORTH. But in that case the bill had been considered by the House. It had passed the House.

Mr. LUCE. Yes; but the objectionable clause was inserted by the Senate and had never been considered in the House. The Speaker ruled that after it had once been taken up by the House it would be too late to raise the question of privilege.

Mr. MANN of Illinois. If the gentleman will pardon me, I made the point of order against the resolution that it is not in order on the special ground that it does not present any constitutional question or question of privilege. Personally I have no doubt whatever that if it does present such a question, this is the proper time to press the resolution. It certainly could not be presented after a rule was adopted to consider it.

Mr. LUCE. Mr. Speaker, I shall, then, address myself to the question involved in the point of order, as to whether this does involve the constitutional privilege of the House. Gentlemen will recall the phraseology of the Constitution in this particular which I have just read, that revenue bills must originate in the House. The point immediately arises, whether this is or is not within the scope of the term "revenue bills." The matter is old. Many men far abler than myself have presented arguments for and against the proposal during nearly a century of controversy. I can not hope to add anything new to what they have said, but perhaps there are gentlemen here who are not familiar with the main argument involved, and, therefore, for their help in considering the resolution, permit me briefly to rehearse the origin and purpose of this constitutional phrase.

In the earliest days the Lords and the Commons, after listening to the demand of the King for money, answered his appeal separately, without consultation between each other. In the course of time, nobody knows just when, the Commons began asserting theirs to be the right of way, claiming that they should have the preference in making answer to the King. In the seventeenth century the general subject became of the most extreme constitutional importance, because controversy over it played a large part in leading to those troubles in England which cost Charles I his head. After the Commonwealth the matter came again in issue. Controversies between the House

of Commons and the House of Lords were frequent through many years, finally resulting in the establishment of the belief now unquestioned that the representatives of the people have the right to determine money matters first.

Our forefathers brought here an intimate knowledge of these controversies at Westminster. Very early, within two or three years after its establishment, the House of Burgesses in Virginia forbade the governor to levy taxes without its consent, and in 1666 it insisted on its prerogative in framing money bills, reserving any share therein by members of the council. In the Province out of which my own State of Massachusetts came, the prerogative of the house was a question of bitter controversy between the general court and the governor's council for half a century. The house asserted its right to originate not only revenue bills, taxation bills, but also appropriation bills, and even to audit the expenditure of money by the executive. In the first constitution framed by an American State, that of New Hampshire, there was asserted the specific declaration that the house should originate bills for raising money. This doctrine was followed by four of the other States, and then in turn was put into the Federal Constitution. In the convention for the framing of the Constitution it again became the center of most important controversy, and the compromise on this point was one of the great concessions that made our Constitution possible.

After the Union had been formed the matter came in issue in Congress. By 1837 the situation had reached such a point that John Quincy Adams, in discussing a contention precisely similar to the one I now raise, said that in his opinion the matter admitted of no question at all, and I may anticipate the normal course of my argument by pointing out that the question was then a matter of the issue of Treasury notes—not a matter of appropriation, not a matter of taxation, but a matter of the issue of Treasury notes. This eminent statesman who had been President of the United States and was perhaps as well qualified as any man who has lived under this Constitution to pass judgment, said that in his opinion the matter admitted of no question at all. If ever there was a money bill, this was one. Then he made this significant statement:

This House had too long suffered the other branch of the legislature to dictate to it every measure relating to revenue. For the last five years not one of all the measures of that character had originated in that House.

For five years prior to 1837, on the authority of Mr. Adams, not one measure imposing revenue or concerning revenue had originated in the House, and he said there could be no question that a bill relating to Treasury notes is a matter of revenue. This will be the nub of the present controversy, but before reaching it permit me to call attention to the numerous times in which the House afterwards saw fit to consider this interference with its constitutional prerogatives on the part of the other branch.

Mr. BLANTON. Mr. Speaker, I rise to a point of order.

The SPEAKER. The gentleman will state it.

Mr. BLANTON. By reason of the fact that the gentleman had been forced to briefly state his case, I am unable to catch his line of argument, and I would suggest that he should be permitted to argue the question in his own way and to such an extent that we can understand the relevancy of his position.

The SPEAKER. The point of order is overruled, and the gentleman from Massachusetts will continue.

Mr. LUCE. Mr. Speaker, I regret that there are gentlemen in the House whose monopoly of its time during many sittings has led them to think that they alone control its interests. [Laughter and applause.] As I said, the nub of this controversy is the question of whether there is or is not involved here a matter of raising the revenue. In support of my contention that it does come within the scope of the revenue, I must call the attention of the Speaker to the laws involved, which are those of the Sixty-fifth Congress relating to financing the war. First, Mr. Speaker, the less important point. By the amendment approved March 3, 1919, it was provided as to the War Finance Corporation—

that any balance remaining after the payment of all its debts shall be paid into the Treasury of the United States as miscellaneous receipts, and thereupon the corporation shall be dissolved.

In other words, the profit of this corporation was to accrue to the benefit of the United States and was, therefore, to be revenue. That this is not an immaterial point may be substantiated by observing in the annual report of the corporation that its earnings in two years amounted to \$36,982,739.80, certainly not an insubstantial amount of revenue. Thirty-six millions may now seem a bagatelle, but \$36,000,000 prior to the war was esteemed as not unimportant.

Last week there was a gathering in Chicago for the purpose of organizing a private corporation with a capital of

\$100,000,000, with the possibility of extending its loans to \$1,000,000,000, exactly the same limit that would be provided by this resolution. This meeting was called by the president of the American Bankers' Association for the purpose of engaging in precisely the same business that is here contemplated.

These men are going into the business, of course, partly for profit—doubtless partly from motives of patriotism, but partly for profit. In this Chamber to-day gentlemen are anxious to hurry the United States into exactly the same business with exactly the same limitation of loans, in complete and absolute competition with private capital.

Mr. TINCHER. Mr. Speaker, I make the point of order the gentleman is not discussing the point of order but arguing the merits or demerits of the resolution.

Mr. LUCE. If the gentleman will permit, I will draw the conclusion bearing precisely on the contention I am trying to establish, which is that this resolution contemplates the making of profits and therefore a revenue to the United States.

Mr. TINCHER. Well, the argument that the resolution ought not to be adopted because some people out in Chicago are organizing a corporation I do not think has much to do with this.

The SPEAKER. It seems to the Chair the gentleman is directly directing his argument as to whether this is a revenue measure or not. The gentleman will proceed.

Mr. LUCE. Mr. Speaker, the United States can not engage in the banking business in competition with a coequal and cotemporary private institution without either making as much or more profit by keeping its rates for loans at the same level with those of the private corporation or else making less profit by cutting under the rates of a private corporation. Is it to be conceived that the Government of the United States, engaging in competition with a private corporation having precisely the same limits, will cut its rates below that of a private corporation, so as to prevent the private corporation from functioning?

Mr. DOWELL. Will the gentleman yield for a question?

Mr. LUCE. Certainly.

Mr. DOWELL. The gentleman now is discussing the question of policy and not the question of order before the House. The gentleman is now discussing the bill as to its effect.

Mr. LUCE. Mr. Speaker—

Mr. DOWELL. That is a question that could be answered, I think, but it seems to me that the whole argument here is one of the policy of adopting the bill.

The SPEAKER. The Chair understands the gentleman is claiming that this is a revenue bill, and therefore subject to a point of order, and is now arguing to show it is a revenue bill.

Mr. DOWELL. The point I was raising is this question: I was asking the gentleman if it was not now a question of policy as to whether the Government should enter into this business. That is the question he is discussing, which, in my opinion, is not germane.

Mr. LUCE. If the House should finally consider this resolution it would be proper to express myself on the point the gentleman has made. What I am now pointing out is that it is inconceivable that this corporation, the War Finance Corporation, will not function for the purpose of making money.

Mr. JONES of Texas and Mr. CAMPBELL of Kansas rose.

Mr. CAMPBELL of Kansas. Will the gentleman yield?

Mr. LUCE. Certainly.

Mr. CAMPBELL of Kansas. If this were an original proposition in the House, and if the question had originally come from the Senate, which it did not, as I understand the War Finance Corporation originated in the House and the law that proposes to direct the Secretary of the Treasury to continue its action is now the law, having originated in the House it might present a different question. It is true that the Senate passed the resolution calling upon the Secretary of the Treasury to revive the activities that he suspended last May under this law, but does not the gentleman from Massachusetts recognize the distinction between a revival of action under a law and the enactment of a law?

Mr. LUCE. Mr. Speaker, the gentleman anticipates a matter that might be discussed later, but inasmuch as he has forced upon me a discussion of this situation which I myself would have thought more properly might be taken up at another stage, I presume I am warranted in answering him. The gentleman raises a question of the deepest interest as to whether the proposed resolution is or is not a direction to the Secretary of the Treasury and War Finance Corporation Board. I may say that a distinguished gentleman, speaking in another Chamber in this city, which the rules of parliamentary law forbid me to discuss or to designate under a more specific term, said that this was nothing more than an expression of opinion. On the other hand, the members of my committee who in the majority

have voted to report this bill believe that it is a law; that it is an order; that it is a direction; that it is not an expression. Now, if the distinguished gentleman in another Chamber, to whom I have referred, is right in saying that this resolution is nothing but an expression of opinion, then discussion of it would be nothing but a waste of time; but I must here assume that the resolution is meant to have the force of law to be an order, a direction. However great may be the impropriety of the procedure, however it may intrench upon constitutional prerogatives, what infringement it may be upon constitutional privileges, I must assume, nevertheless, that in the face of precedent, in the face of tradition, in the face of a reasonable construction of the Constitution, the Congress does by this resolution intend to order the War Finance Corporation to function.

Mr. JONES of Texas. Will the gentleman now yield?

Mr. LUCE. Certainly.

Mr. JONES of Texas. Is it not true any revenue that may be derived from the operation of this resolution is merely an incident to the resolution? There may be a loss or a gain, but the purpose of the resolution is not to raise revenue, and the fact that it might be an incident is not of such consequence as to state that the purpose of the resolution was the raising of revenue.

Mr. LUCE. I really dislike to weary the House with a repetition of the thousand arguments that have been made upon that particular point. It is for the House to decide whether this is merely incidental, whether a profit of \$36,000,000 accruing to the taxpayers of the country is incidental or not. This bill contemplates the loaning of \$1,000,000,000 at a profit. If the gentleman asserts that profit here is incidental, may I not point out to him that nevertheless it must be more than an incidental purpose of the gentlemen who have been meeting in Chicago in order to proceed along similar lines, assuming they are not driven out of business by the Congress of the United States. Certainly their profit will not be incidental. Therefore, I may assume, perchance, that the profit of the Government will not be merely incidental.

Mr. JONES of Texas. I appreciate the points of the gentleman's statement. However, the gentleman will recognize that the purpose for which the law was framed was not for the making of this profit, but for the carrying on of a certain line of business. Now, there may be a profit, there may be a loss, but the purpose is to carry on and finance a certain business, and it has not for its primary purpose the raising of revenue.

Mr. LONGWORTH. While I greatly doubt whether this particular resolution is for the purpose of raising revenue, the question of the gentleman from Texas does not apply. Frequently the House passes a bill for preventing any revenue, notably the passage of the prohibitory tax on white phosphorous matches, the object of which was to prevent revenue. That is a revenue bill. It makes no difference whether it raises revenue or discourages it.

Mr. TINCHER. There is a special provision that all revenue laws must originate in the House of Representatives. Does the gentleman contend there is any inhibition in the statute upon the other lawmaking body or anyone else, by a joint resolution or otherwise, that the law, having originated in the House of Representatives and passed upon by both Houses of Congress and signed by the President and become a law, should not be enforced? Is there anything in the Constitution to prevent any other lawmaking body passing a resolution asking for the enforcement of any law, provided it is clearly on the statute books?

Mr. LUCE. The resolution can be of avail only if it actually amends the law to which the gentleman has referred. In the language used by the Secretary of the Treasury in the hearings of the committee, and accepted, apparently, by the committee, this resolution contemplates substituting the will of Congress for the will of an executive official.

The law in question permits a certain exercise of discretion. This was definitely brought out in the gentleman's presence. It was definitely brought out as contemplating an amendment of existing law by substituting the will of Congress for the will of the Executive, and by putting an end to the exercise of discretion, and it therefore comes clearly within the province of this House in the matter of the assertion of its constitutional rights, if my contention as a whole is sound at all.

Mr. TINCHER. Do I understand the gentleman contends that this resolution amends the War Finance Corporation act? Is it an amendment to that act?

Mr. WINGO. Mr. Speaker, I insist on the point of order that this discussion, with all deference to my friend, is not on the point of order, but on the merits of the bill. The Speaker can see and decide whether or not this is a revenue bill without

the discussion that has been raised here. If the resolution comes up for consideration, then the gentleman can offer these arguments against its adoption. The question is whether or not it is a revenue law, and I think the Speaker can pass on that without any further discussion.

The SPEAKER. The Chair thinks the gentleman has confined himself to that distinction, as to whether it is a revenue measure or not.

Mr. LUCE. If I have been diverted in any degree from the proper line of discussion, it has been simply with the desire to be courteous to a fellow member of the committee who rose to interrogate me. Now, to be equally solicitous for my friend from Arkansas [Mr. Wingo], I will attempt with his permission to point out another particular in which this matter distinctly becomes a revenue bill. I observe by the last annual report of this corporation that there have been coming into the Treasury of the United States certificates of indebtedness, bonds, and so forth, to the extent of \$374,313,493.89. The return of this money to the Treasury of the United States has been thus described by the Secretary of the Treasury himself:

If the corporation continues to make loans in aid of exports, it can do so only by calling upon the Treasury of the United States to repeal securities of the United States in which the capital furnished by the United States is invested, or by selling bonds of the War Finance Corporation to the public. These bonds, although not guaranteed by the United States Government, would nevertheless be marketable only on account of the ownership of the entire capital by the Government.

The Secretary of the Treasury informed the committee—as he has said on other occasions, if I mistake not—that there is a credit to the account of this great corporation on the books of the Treasury, and that if this corporation should function it would have the right to demand from the Treasury \$386,000,000. If the Treasury is to take securities in its possession and sell them, it can thus raise the money. Otherwise it must go and borrow it. The bill contemplates the possibility that this corporation shall compel the Secretary of the Treasury to borrow \$386,000,000 more and add it to the inflation now existing.

Mr. WINGO. Will the gentleman yield for a question?

Mr. LUCE. Yes.

Mr. WINGO. I know the gentleman always desires to give the facts.

Mr. LUCE. Mr. Speaker, I yielded for a question only.

Mr. WINGO. I appreciate the gentleman's desire to facilitate the orderly business of the House, and I shall endeavor to assist the learned gentleman. What is wrong in, and what would prevent the Secretary of the Treasury from, restoring to the capital stock of the War Finance Corporation the Treasury certificates that he canceled at the time it suspended, without ever having to go out and borrow a dollar in the market? If Treasury certificates in May were legitimate investment—and they are under the provisions of the act a legitimate investment of the capital stock of the corporation—what is wrong with the Secretary of the Treasury restoring this capital by issuing to that corporation Treasury certificates in an amount equal to those he canceled? That would not be a floating of bonds as a sale of certificates in the open market.

Mr. MANN of Illinois. Mr. Speaker, I make the point of order that this has nothing to do with the constitutional question.

Mr. WINGO. I agree with the gentleman, but—

Mr. MANN of Illinois. Then why interject it? The gentleman from Massachusetts should be permitted to confine himself to the question at issue.

Mr. WINGO. I did not; the gentleman from Massachusetts was contending that the Secretary would have to borrow money, and I corrected him.

The SPEAKER. The Chair thinks that the gentleman from Massachusetts should be succinct, and speedily bring the matter at issue to the attention of the Chair.

Mr. BANKHEAD. Mr. Speaker, a parliamentary inquiry.

Mr. LONGWORTH. Mr. Speaker, will the gentleman yield to me for a question in point?

Mr. LUCE. Certainly.

Mr. LONGWORTH. Does the gentleman make a distinction between such a resolution as this, which merely orders the Secretary to enforce a certain provision of the act of March 3, 1919, and a direction by this Congress to enforce another provision?

Mr. LUCE. It depends upon whether the provision in question was originally a matter of discretion; whether it was discretionary or ministerial. The courts invariably draw that distinction.

Now, Mr. Speaker, if I can hasten, for I have no desire to prolong the deliberations of the House, it has been pointed out that this \$386,000,000 has been used to redeem debts of the United States, and a certain political party has not hesitated to claim credit to itself for this reduction of the debt. This can be undone only by increasing the debt of the United States,

by issuing new Treasury certificates, by bringing in new sources of revenue.

And now, sir, having, I trust, adequately covered the main features of the situation, will you permit me to dwell for one moment upon a phase of it that was brought into the issue in question by the Lever bill in connection with the cotton futures act of 1915? Judge Hough declared that this bill was not and had not become a law, because it originated in the Senate.

The SPEAKER. What bill does the gentleman refer to?

Mr. LUCE. The cotton futures act. I am pointing out the fact that Judge Hough said it was not law because it originated in the Senate. The question went up on appeal but was dismissed by the Supreme Court upon the motion of the plaintiff in error.

Mr. BLANTON. Mr. Speaker, I rise to a point of order.

The SPEAKER. The gentleman will state it.

Mr. BLANTON. My point of order is that under the rules of the House on a question of privilege each Member raising it is entitled to one hour and only one hour. I make the point of order that the gentleman from Massachusetts has used his hour.

Mr. MANN of Illinois. Mr. Speaker, the question of privilege is not yet before the House.

The SPEAKER. The Chair overrules the point of order. The gentleman from Massachusetts will proceed.

Mr. LUCE. To summarize my argument, I contend that this measure originated in the Senate; that it contains a section which, in accordance with the precedents of the House, comes under the constitutional inhibition in the matter of raising revenue; that it so does because it involves the possibility and even the probability of large profits accruing to the Public Treasury and to that extent diminishing the burden upon the taxpayers; and because it involves an increase of the debt of the United States by \$386,000,000, which can be met only by raising additional revenue.

If I were permitted to divert, I should be glad also to point out the interference of this proposal with the general fiscal policy of the Treasury Department. But I am quite aware that that will not be permitted. Therefore I rest my point chiefly upon these two contentions—that the matter involves the raising of revenue within the precedents of the House.

Mr. MANN of Illinois. Mr. Speaker, I wish to discuss this question very briefly. All laws which incidentally raise revenues are not laws for the purpose of raising revenue. Would the gentleman from Massachusetts contend, for instance, that the Senate could not pass a bill providing for the sale of a former public-building site and that it would not become a law if then passed by the House and signed by the President? The effect of the law would be to raise revenue. That is the only effect it would have. And yet no one has ever contended that the Senate could not originate a bill of that kind, the incidental effect of which is to raise revenue.

The provision of the Constitution the gentleman referred to in the light of history, and in the light of history it was adopted. It provides that bills for the purpose of raising of revenue shall originate in the House of Representatives. It does not provide that laws which take the effect and which will have the effect either of raising revenue or producing a deficit shall originate in the House, and no one can tell whether the passage of the original act in this case was to produce revenue or to produce a deficit. No one can tell whether the passage of this resolution, if it shall be carried out in the spirit of the resolution, will produce revenue or produce a deficit. But everyone knows that the purpose of the law is not to produce revenue. The purpose of the law was to aid in the transaction of business, to aid in exports, to aid in the war, and not for the purpose of raising revenue. I doubt whether the gentleman from Massachusetts or anyone else will contend that Congress has the power to create corporations to engage in business for the purpose of raising the revenue of the Government.

While we have broad latitude in the raising of the revenue, I do not know of any provision of the Constitution which would authorize Congress to engage in business for the purpose of providing the revenues of the Government. The revenue is merely incidental. Besides, this resolution is only a direction to enforce existing law.

Mr. LUCE. Mr. Speaker, may I ask the gentleman a further elaboration of that statement? May I ask if in his judgment you do not by this resolution amend existing law?

Mr. MANN of Illinois. It does not amend existing law, but it enforces existing law, and to that extent might be considered as amendatory. It is not an amendment. It is a direction to enforce a law which now is not required to be enforced.

Mr. LUCE. If this is not technically an amendment, does the gentleman think it within the constitutional province of Congress to direct the Executive to exercise judgment?

Mr. MANN of Illinois. Why, certainly it is within the province of Congress to direct the Executive to exercise judgment where we have conferred the judgment upon it. We could take away entirely the judgment of the Executive in a matter of this kind. When we pass a law prescribing that the Executive may have discretion, we may change that and compel the Executive to exercise power.

Mr. LUCE. Mr. Speaker, the gentleman brings out precisely the point I desire to emphasize, that this is a change in the law. If it is not a change in the law, I desire to direct his attention to the fact that it would be absolutely contrary to the doctrine of the separation of the powers.

Mr. MANN of Illinois. I stated in the first place, before the gentleman interrupted me—though I do not regret the interruption—that this required the Executive to do something which now is not required; but that does not change the situation at all. I believe that the original law might have originated in the Senate, not as a bill raising revenue, but this is merely a direction to the Executive to execute a law which is upon the statute books, which law originated in this House. [Applause.]

The SPEAKER. The gentleman from Massachusetts presents a resolution, and claims that a section of the joint resolution (S. J. Res. 212) infringes the privileges of the House, because it is a revenue bill which the Senate has no right to originate.

Against that the point of order is made that that is not a question of privilege.

Speaker Carlisle, in a similar case, made this ruling:

The Chair thinks whenever it is asserted on the floor of the House that the rights or privileges of the House have been invaded or violated by any other body, or by any individual, a question of privilege is presented, at least to the extent that the Chair is obliged to submit it to the House for its decision. Of course, the Chair itself will decide all questions of order arising during legislative proceedings of the House; but when the allegation is made that the rights or privileges of the House collectively have been invaded, that is a question which does not come within the province of the Chair to decide. The House is the custodian and guardian of its own rights and privileges as a body, and must always possess the power and have the opportunity to determine what those rights and privileges are and whether or not they have been improperly interfered with.

Following that decision the Chair will submit the question to the House whether the point of order lies against this resolution. The Chair submits this question to the House: Is this resolution presented by the gentleman from Massachusetts in order as a matter of privilege?

Mr. GARRETT. Did the gentleman from Massachusetts present a resolution?

The SPEAKER. He did.

Mr. GARRETT. I understood him to announce his intention so to do.

The SPEAKER. The resolution was reported at the desk. The question is, Is the resolution of the gentleman from Massachusetts in order?

Mr. CAMPBELL of Kansas. Mr. Speaker, I ask that the resolution be reported.

The SPEAKER. The Clerk will again report the resolution. The Clerk read as follows:

Resolved, That the first section of Senate joint resolution 212, in the opinion of this House, contravenes the first clause of the seventh section of the first article of the Constitution of the United States and is an infringement of the privileges of this House, and that the said resolution be respectfully returned to the Senate with a message communicating this resolution.

The SPEAKER. The question is, Is this resolution in order?

Mr. GARRETT. Mr. Speaker, I am not sure that by this resolution this matter is presented precisely as I, at least, will be glad to see it presented. Upon one phase of the matter I should say that the resolution of the gentleman is in order. I think it would be in order for the House to express an opinion as to whether or not its constitutional privilege and duty had been invaded. The matter upon which I would like to pass is the question of order originally raised by the gentleman from Massachusetts.

Mr. MANN of Illinois. The resolution, of course, is not in order unless it raises a question of privilege.

Mr. GARRETT. Does it not raise a question of privilege by asserting that a constitutional right has been invaded?

Mr. MANN of Illinois. I do not think it does, unless it shows where a constitutional right is invaded. Every Member of the House can not rise to a question of privilege, present a resolution, and get two or three hours' time upon it simply by asserting something. There must be something upon which to base the assertion, and I made the point of order that the resolution was not privileged and did not present a question of privilege, constitutional or otherwise, and demanded the regular order.

Mr. GARRETT. Mr. Speaker, I shall vote to sustain the point of order made by the gentleman from Illinois; but I wish

it distinctly understood that in so doing I am voting to reach the major proposition of the original point of order made by the gentleman from Massachusetts.

The SPEAKER. The question before the House is, Is this resolution in order as a matter of privilege?

Mr. DOWELL. Mr. Speaker, is not the question before the House now the question of sustaining the point of order?

The SPEAKER. That is what the Chair stated.

Mr. DOWELL. Those sustaining the point of order will vote "aye" and those opposed to the point of order will vote "no"?

The SPEAKER. No; the Chair stated it the other way. The Chair thinks the question before the House is, Is the resolution of the gentleman from Massachusetts in order as a matter of privilege? As many as think that it is in order as a matter of privilege will vote "aye"; those opposed "no."

The question being taken, on a division (demanded by Mr. MANN of Illinois) there were—ayes 28, noes 142.

The SPEAKER. On this question the ayes are 28 and the noes are 142, and the House decides that it is not a question of privilege.

Mr. LUCE. Mr. Speaker, I ask for a further verification of the vote by the yeas and nays.

The SPEAKER. The gentleman from Massachusetts demands the yeas and nays.

The question was taken; and 9 Members only having risen in favor thereof, the yeas and nays were refused.

Mr. CAMPBELL of Kansas. Mr. Speaker, I present the following privileged resolution from the Committee on Rules.

The Clerk read as follows:

House resolution 620.

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of S. J. Res. 212, the same being a joint resolution "directing the War Finance Corporation to take certain action for the relief of the present depression in the agricultural sections of the country, and for other purposes." That there shall be not to exceed two hours of general debate, one-half to be controlled by some member of the Committee on Banking and Currency who is in favor of the joint resolution, and one-half by some member of the Committee on Banking and Currency who is opposed to the joint resolution. That at the conclusion of the general debate the joint resolution shall be read for amendment under the five-minute rule. That at the conclusion of such reading the committee shall rise and report the joint resolution to the House, together with amendments, if any, whereupon the previous question shall be considered as ordered upon the joint resolution and all amendments thereto to final passage without intervening motion except one motion to recommit.

Committee amendment: Page 1, line 8, strike out the word "two" and insert the word "three."

Mr. CAMPBELL of Kansas. Mr. Speaker, I would like to make some arrangement, if I can, for the discussion of the rule. If any member of the Committee on Rules is opposed to the rule, I think it only fair that the division should be between those favoring and those opposed to the rule rather than between the majority and minority members of the committee.

Mr. POU. So far as I am advised, there is no member of the minority of the Committee on Rules opposed to this resolution. I can speak for only those members of the minority.

Mr. CAMPBELL of Kansas. There is no one on this side who desires time in opposition to the rule. Suppose we agree to let the rule come up for a vote.

Mr. POU. I am willing to do that without debate.

Mr. CAMPBELL of Kansas. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The committee amendment was agreed to.

The resolution as amended was agreed to.

Mr. STRONG of Kansas. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of Senate joint resolution 212.

Mr. PHELAN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. PHELAN. As to how the time is to be divided—

The SPEAKER. It is to be divided between those in favor and those against the resolution.

Mr. CAMPBELL of Kansas. May I suggest that it might expedite the business if the members of the Committee on Banking and Currency were to agree on the Member who is to control the time? The rule divides the time between those opposed and those in favor.

The SPEAKER. The time is to be controlled by some Member who is in favor and some Member who is opposed.

Mr. STRONG of Kansas. Mr. Speaker, I think it is understood that the time shall be divided equally between myself and some one opposed to the resolution.

Mr. McFADDEN. I am opposed to the resolution, and I suggest that the time be divided between the gentleman from Kansas [Mr. STRONG] and myself.

Mr. PHELAN. I have no objection. I am opposed to the resolution, and so is the chairman of the committee. All I want is to have the time fairly and equitably divided.

Mr. McFADDEN. So far as I am concerned, I am willing that the gentleman from Massachusetts [Mr. PHELAN] should control the time in opposition.

Mr. RAKER. Mr. Speaker, the House determined last week that after the rule was adopted you could not change it, and so I think we ought to have the question of who should control the time come up under the regular order.

The SPEAKER. The Chair thinks it would be well to determine now who shall control the time.

Mr. PHELAN. Will the gentleman from Kansas make some arrangement so that he will give half of his time to Members in favor of the resolution on this side?

Mr. STRONG of Kansas. I shall undertake to carry out that arrangement.

Mr. PHELAN. Then I do not care who has charge of the time in opposition to the bill if that arrangement is made.

Mr. STRONG of Kansas. Mr. Speaker, I ask unanimous consent that the time be equally divided, I to control one half of the time and the gentleman from Massachusetts [Mr. PHELAN] the other half.

The SPEAKER. The gentleman from Kansas asks unanimous consent that he control one half of the time and the gentleman from Massachusetts the other half. Is there objection? The Chair hears none. The question now is on the motion of the gentleman from Kansas, that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of Senate joint resolution 212.

The question was taken, and the motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. SNELL in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of Senate joint resolution 212, which the Clerk will report.

The Clerk read as follows:

Senate joint resolution (S. J. Res. 212) directing the War Finance Corporation to take certain action for the relief of the present depression in the agricultural sections of the country, and for other purposes.

Whereas there exists in the agricultural sections of the country unprecedented and unparalleled distress on account of the inability of the farmers to dispose of the corn, wheat, cotton, wool, live stock, and other commodities now in marketable condition at prices that will pay the cost of production; and

Whereas the people of Europe are in dire need of the agricultural products now in possession of the farmers of this country, but are unable to purchase on account of existing financial conditions; and

Whereas, under an act of Congress, there was established the War Finance Corporation for the purpose of financing the exportation of American products to foreign markets; and

Whereas the activities of the War Finance Corporation were suspended in May, 1920, by an order of the Secretary of the Treasury; and

Whereas the banks of the country are unable to extend credit to the farmer in order that the farm products may be held until they can be sold in a fair and reasonable market: Therefore be it

Resolved, *etc.*, That the Secretary of the Treasury and the members of the War Finance Corporation are hereby directed to revive the activities of the War Finance Corporation, and that said corporation be at once rehabilitated with the view of assisting in the financing of the exportation of agricultural and other products to foreign markets.

Sec. 2. That it is the opinion of the Congress that the Federal Reserve Board should take such action as may be necessary to permit the member banks of the Federal reserve system to grant liberal extensions of credit to the farmers of the country upon the security of the agricultural products now held by them, by permitting the rediscounting of such notes of extension at a fair and reasonable rate of interest.

The following committee amendment was read:

Page 2, line 9, strike out section 2.

The CHAIRMAN. According to the provisions of the rule the gentleman from Kansas [Mr. STRONG] is recognized for one hour and a half and the gentleman from Massachusetts [Mr. PHELAN] for an hour and a half.

Mr. STRONG of Kansas. Mr. Chairman and gentlemen of the committee, this resolution directs the Secretary of the Treasury and the members of the War Finance Corporation to revive the activities of the War Finance Corporation and that it be rehabilitated with the view of assisting in the financing of the exportation of agricultural and other products to foreign markets, and I hope it may have your favorable consideration and your votes and that it may pass this House by a large majority.

The committee recommends that section 2 of the resolution be stricken out, as the mere expression of opinion therein is not calculated to accomplish any favorable result, and the committee deems it unwise to encumber the passage of the resolution by including an ineffective clause which will be fruitful of controversy and barren of results.

The committee has held hearings and has had before it for consideration the hearings held by the Committees on Agriculture of the Senate and House in joint session.

The War Finance Corporation, by the act approved March 3, 1919, was empowered to encourage exports, and for the accomplishment of this purpose was empowered to sell bonds to the extent of six times its capital stock of \$500,000,000; but by the amendment of March 3, 1919, it was provided that the aggregate of the advances made for the purpose above set forth remaining unpaid should never at any time exceed the sum of \$1,000,000. There was an inevitable delay in the organization of the corporation for the purpose of carrying out the duties imposed by this act, but during the short period it operated it advanced for the purpose of financing the exportation of domestic products the following amounts:

Commodities.	Countries.	Amounts.
Agricultural implements.....	Great Britain, France, and Belgium.	\$4,000,000.00
Condensed milk.....	England and France.....	5,000,000.00
Cotton.....	Czechoslovakia.....	9,322,117.27
Electrical equipment and supplies.....	Great Britain, South Africa, Australia, France, Belgium, and Italy.	10,796,537.00
Grain, flour, and foodstuffs.....	Belgium.....	12,229,000.00
Locomotives.....	Poland.....	5,000,000.00
Total.....		46,347,654.27

While it would seem from the amount advanced that no great demand has been made upon the corporation for advances, the fact is when on May 1, 1920, the corporation suspended, upon the request of the Secretary of the Treasury, proposals receiving the approval of the directors of the corporation amounted to \$100,000,000, 75 per cent of which were for agricultural purposes. The proposals thus approved by the board were as follows: \$17,500,000 of copper, \$2,200,000 fabricated steel to Italy; \$5,000,000 "Black Patch" tobacco from Tennessee and Kentucky; \$4,000,000 cotton to Czechoslovakia for a large southern exporter; \$25,000,000 cotton to Czechoslovakia for a group of southern bankers; \$3,000,000 for cotton to Italy by a group of bankers; \$9,000,000 by a group of bankers for export of cotton to Italy; \$24,000,000 for the export of cotton by a syndicate of banks headed by one of the largest national banks in the United States; \$2,400,000 by a group of bankers for coal to Italy; \$4,000,000 by a group of bankers for cotton to Italy; \$4,000,000 for ships to be bought or constructed in this country for Italy; in all, \$100,000,000 in applications promising practical results with adequate security, according to the opinion of the directors of the War Finance Corporation.

When the Secretary of the Treasury requested the directors of the War Finance Corporation to suspend operations, it resulted in the adoption by the directors of the corporation on May 10 of the following resolution:

Resolved, That at the request of the Secretary of the Treasury and pending further action by this board the making by the corporation of further advances for export purposes, except pursuant to existing commitments, be suspended.

The Secretary of the Treasury has given to the committee the reasons actuating him in requesting the directors to suspend the operations of the corporation. Whether or not his action was wise or unwise is not in issue at this time. The question at issue is whether or not, in view of the conditions now existing, the operations which were suspended in May should be resumed. Necessity for the resumption of operations has been urged upon the committee by representatives of the agricultural interests of the entire country and by representatives of those who are engaged in the exportation of our products and those engaged in financing such exports.

It appears from the testimony before the committee that of the total capital stock of \$500,000,000 there is on deposit in the Treasury to the credit of the corporation \$370,000,000. It is agreed, however, by those who advocate the resumption of the activities of the corporation that the funds necessary to accomplish the purpose of the law can best be secured by the sale of bonds of the corporation.

Mr. McFADDEN. Will the gentleman yield?

Mr. STRONG of Kansas. Yes.

Mr. McFADDEN. The gentleman does not contend that the \$374,000,000 is going to be put into the corporation?

Mr. BYRNES of South Carolina. Does the gentleman from Pennsylvania deny that the \$374,000,000 is in the Treasury to the credit of the corporation?

Mr. McFADDEN. I do not know. Will the gentleman explain how the corporation can resume without any capital?

Mr. BYRNES of South Carolina. The gentleman does not deny that the money is in the Treasury to the credit of the corporation.

Mr. McFADDEN. My information is it has been used to reduce the public debt, and according to the Secretary of the Treasury, who was before our committee, if the corporation is revived it will require the issue of temporary certificates.

Mr. BYRNES of South Carolina. According to the testimony of the Secretary of the Treasury the money is now on deposit in the Treasury to the credit of this corporation, and the Treasury can not take away from the credit of the corporation.

Mr. STRONG of Kansas. Mr. Chairman, I can not yield further.

During the period of the operation of the War Finance Corporation it sold only \$200,000,000 of bonds. This issue of \$200,000,000 of bonds, bearing interest at 5 per cent, was disposed of within five days notwithstanding that a great press agency erroneously announced on the second day that the entire amount had been subscribed on the preceding day. This would indicate that there is a ready market for the bonds of this corporation, and the former managing director of the corporation, who is familiar with the conditions of the market to-day, is emphatically of the opinion that an issue of \$200,000,000 of its bonds at this time would readily be accepted by the investing public.

The statement of the former managing director is that during the period of operation in the great majority of cases where the corporation approved a request for a loan its approval resulted in the purchase by the investing public of the securities of the exporter, and, therefore, that the benefit which resulted from its activities was far greater than is indicated by the comparatively small amount of its advances.

While it may be argued with some force that when the corporation suspended its business on May 1, 1920, there was an increase in the volume and the dollar value of our exports, it is true that shortly after the suspension of the operations of this corporation our exports began to decrease until the month of November, 1920, when there was a marked decrease in the exportation of commodities and especially of agricultural products. The agricultural interests of the country seek a market for their goods and not merely credit to enable them to hold their products.

The European purchaser is unable to purchase unless long-term credits are made. The exporters of the Nation can not grant these long-term credits unless they in turn can finance them. The banks of the country appear unable to do this further than they have. It therefore becomes necessary to induce the investing public to put its resources at the service of the exporters, and the only agency through which it appears feasible now to do that is through the War Finance Corporation, which can sell its bonds to the investing public and use its money to finance exports. It is argued that this function can be best performed by private enterprises. The War Finance Corporation has perfected its organization and without delay could afford the relief desired and which is necessary. The private corporations proposed to be organized under the Edge law have not perfected their organization and we could not hope to have them operated for many months to come. In addition to this the testimony shows that the promoters of the two corporations proposed to be organized under the Edge law are of the opinion that the operation of the War Finance Corporation is essential to their successful operation at this time.

The testimony is conclusive that gilt-edged collateral can be secured by our exporters, and inasmuch as by the terms of the act the War Finance Corporation can advance only to persons and corporations engaged in business in this country, and it is certain that it will function as it did during the period of its operation, making advances only where the loans were underwritten by groups of American bankers, whose indorsement guaranteed the repayment of the loan. The effect of the activities contemplated by this corporation under this resolution will be to enable the products of this country to find a market, and the money that is invested in financing the bills will go directly to the banks and other institutions which are creditors now of the producers, and who need relief, and will start a period of debt cancellation, which is the only orderly method of deflation which can be evolved.

The hearings before our committee and before the Joint Committee on Agriculture of the House and the Senate developed the fact that the agricultural interests of the great West had suffered by far the greatest slump in the prices of its products, that corn in the West was selling at 30 cents a bushel, that wheat and cattle and sheep were not bringing anywhere near the cost of production, that credits were restricted, and that farmers with large crops, large supplies of corn and alfalfa and hay for stock were unable to get cattle to place in their feed lots, and it is true that in my district there is not one feed lot in twenty that contains any cattle. The farmers with cribs full of corn and an abundance of alfalfa and hay can not get the credit with which to secure the cattle.

Mr. JOHNSON of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. STRONG of Kansas. Yes.

Mr. JOHNSON of Mississippi. If this War Finance Board should be revived, and I am in favor of it, how long would it take the board to begin operation to give relief to these people in agricultural districts?

Mr. STRONG of Kansas. It should not take to exceed 30 days; but relief will come at once, for the reason that the psychological value of it will come with the passage of this resolution and will help those interests in the West who need credit. For instance, the sheep raisers and the stock raisers in the West and the cattle feeders, who are now unable to obtain credits, are being carried by their local banks, and they are told that they can not get any further advances. The city banker who is carrying the country banker is considering now crowding the country banker for the payment of rediscount loans, and they have refused any further extensions. If the Congress of the United States should pass this resolution and it is signed by the President, immediately the city banker would understand that with the revival of the War Finance Corporation there would be opened up an opportunity for the exportation of these products that would create a market for them and make it possible to liquidate in time and with fair returns, and he would not press the country banker, and the country banker, in turn, would not press the man to whom he had loaned the money, and the stockmen of the country would not be compelled to place their herds upon the market. If you continue a restriction of credits whereby the cattlemen and the sheep raisers can not be given further extensions but must sell the cows and ewes with their entire herds, you are going to destroy the manufacturing plants which supply the beef and hides and the mutton and the wool of the Nation.

Mr. PHELAN. Mr. Chairman, will the gentleman yield?

Mr. STRONG of Kansas. Yes.

Mr. PHELAN. Did not every representative of the sheep and wool interests state that neither this bill nor any other financial relief would be of any avail whatsoever unless an embargo were placed and subsequently a protective tariff act were passed?

Mr. STRONG of Kansas. I agree with my friend that they urged an embargo and a protective tariff on wool and mutton, but they said that this resolution would give immediate temporary relief, and that is what we want to do to save the cattle and sheep herds until we can pass a tariff act that will protect those interests.

Mr. KINCHELOE. Mr. Chairman, will the gentleman yield?

Mr. STRONG of Kansas. Yes.

Mr. KINCHELOE. I am interested in this matter because I have had some experience, as far as tobacco growers are concerned, with the War Finance Corporation. Under the original War Finance Corporation act, which we are seeking by this resolution to revive, the officers of the War Finance Corporation have no power to loan money to a foreign Government for export purposes, but it is within the power of the corporation to loan on sufficient security to American bankers or exporters for the purpose of making possible exportation of such commodities. I am very much for this, but how will it benefit the man who raises corn? I am from a great corn belt. For instance, I got a letter the other day from a constituent of mine who raised 10,000 bushels of corn that cost him \$7,000 to raise. He stands to lose \$2,500 because of the slump in corn. How will this extend the market to that man?

Mr. STRONG of Kansas. Any exportation of farm products of any kind is going to help the corn raiser. Even the revival of the cotton market will cause the cotton man of the South to sell his cotton and having obtained the proceeds he will use more of our corn. You can not mention an industry which the revival of this corporation will help that will not help the wheat and the corn grower and the stockman and every other agricultural interest in my district and the gentleman's district.

I would like to add further that there is a country whose credits are good, whose people are starving by the millions, to which we can export our cotton and our corn and wheat and meats if we had this corporation that could make possible the extension of credits for a term of years, and that is China. They both need and want the surplus which we have in abundance.

Mr. KINCHELOE. There is a bit of information which I did not know until I read the gentleman's report. I introduced an amendment to the War Finance Corporation act at the last session of Congress, in order to enlarge its powers so that it could loan money directly to foreign Governments that had a Government monopoly on tobacco for the purpose of buying our tobacco. I see in the gentleman's report on page 2 that there was a tentative agreement, at least, to loan \$5,000,000 for this purpose. I am wondering where the gentleman got that information. Did he get it from the War Finance Corporation officials?

Mr. STRONG of Kansas. We got it from Mr. Meyers, who was a member of the War Finance Corporation, who gave testimony before our Banking and Currency Committee.

Mr. KINCHELOE. And at that time it was the intention to loan this money, except for the order of the Secretary of the Treasury.

Mr. STRONG of Kansas. Such was their intention; yes. In closing I want to say this: It will be urged by men opposing this resolution that it will inflate the currency; that it will raise prices; that it will do that thing that we have been working against, increase the cost of living. I am not an inflationist. I do not want to inflate the currency, but during the war we did inflate all prices in this country; we went up in a balloon of price inflation, and the question now is how to get down. Some gentlemen want to tear open the balloon and let us fall hard. That is what has been done to the farmers of the West; that is what has happened to the cotton men of the South and the woolgrowers and the cattlemen of the country.

What we want to do in the reorganization of this War Finance Corporation or the resumption of its functions is to permit us to reach the ground gradually and safely, to get back gradually to prewar prices, as the other great industries of the country are doing.

Mr. BROOKS of Pennsylvania. Will the gentleman yield?

Mr. STRONG of Kansas. I would be glad to do so.

Mr. BROOKS of Pennsylvania. The gentleman representing the live-stock industries of the West who appeared before our committee stated that advancing the money would be a postponing of the evil day, and that it would have the effect of throwing the money into rat holes unless it were followed by a protective tariff or embargoes, and if that is the case it seems to me that we have got the cart before the horse and had better pass other legislation before passing this kind of legislation.

Mr. STRONG of Kansas. The gentleman said, however, most positively that the revival of the War Finance Corporation would give immediate temporary relief until the time when we could have a protective tariff. [Applause.]

Mr. Chairman, I reserve the remainder of my time.

The CHAIRMAN. The gentleman has used 20 minutes.

Mr. PHELAN. Does the gentleman from Kansas want to use some more of his time now? If not, I yield 30 minutes to the gentleman from Pennsylvania. [Mr. McFADDEN.]

Mr. McFADDEN. Mr. Chairman and gentlemen of the committee, this resolution presents an unusual situation. It is an attempt to compel a high official of this Government to put in force a law; or, in other words, it is the claim of the interests back of this measure that the Secretary of the Treasury, dominating the War Finance Corporation, has sought to close the business of this corporation when special business interests of the country demand its continuation in full operation. It is an unusual proceeding for a member of another party as chairman of a committee of this House to come to the defense of an officer of another party in the administration, but to-day we find that it is necessary to defend the action of the Secretary of the Treasury in carrying out what he believes to be conservative ideas in regard to affairs pertaining to the War Finance Corporation and the Public Treasury. We find in opposition to the rehabilitation of the War Finance Corporation that the Secretary of the Treasury and the members of the Federal Reserve Board—yea, even the directors of the War Finance Corporation itself—saying that it should not be done; that it is unwise to rehabilitate this corporation—

Mr. WINGO. Will the gentleman yield?

Mr. McFADDEN. With the exception, I might say, of the activities of the former chairman of that board, Mr. Eugene Meyer, who has seen fit to differ with the Secretary of the Treasury in regard to business operations of this corporation, who has gone up and down this country preaching that it should be revived, and I have no doubt now that the reason that this proposition is brought in here is largely due to the fact that this former chairman of this board has become so interested in the rehabilitation of this corporation that he has gone out and presented his case to these various farmer and other organizations as a palliative and—

Mr. WINGO. Will the gentleman yield?

Mr. McFADDEN. I can not be interrupted now. The gentleman who appeared before the committee advocating the rehabilitation of this corporation—and I speak particularly of Mr. Hagenbarth, who represented the sheep growers and cattle growers of the West—stated frankly to the committee that if the activities of this corporation are revived, in the absence of an embargo, that it would be only a palliative; that it could not stop the critical situation which now confronts these interested people throughout the country in the settlement of affairs pertaining to stocks on hand representing overproduction. He stated to us frankly that one of the most important things in

connection with this was the fact that the woolgrowers of the country could not sell their wool. He stated frankly that there was a two years' supply of wool in this country, and unless there was an embargo placed that the revival of this corporation would not help out the situation. When questioned further along in the testimony he reiterated that statement and really apologized that he must make that statement, and in all fairness to the members of the committee, he said it was absolutely necessary we have an embargo, which must be followed by a protective tariff, before any relief could come to those people. He said the situation was so desperate in the West that this revival would not bring relief to the situation, but that indirectly, perhaps, there might be some help somehow, some time or other, for those people from the rehabilitation of this corporation.

Mr. McKEOWN. Will the gentleman yield?

Mr. McFADDEN. I will yield.

Mr. McKEOWN. Is it not a fact that the Argentine Government is contemplating the financing of its woolgrowers for two years in order to give time for the wool market to right itself?

Mr. McFADDEN. I am not informed as to that; probably the gentleman has the facts in the matter. It matters little to us here what plans they adopt, their situation is so different than ours.

Mr. McKEOWN. Does not the gentleman think that would help this country if the woolgrowers were given a chance to hold their wool until the market righted itself?

Mr. McFADDEN. It would help to raise prices to the consuming public.

Mr. WINGO. Will the gentleman yield for a question?

Mr. McFADDEN. The rehabilitation of this corporation in my judgment will interfere with the early resumption of that old law of supply and demand. We are suffering because of the interruption of that law, and we are feeling the effects of it now.

Mr. WINGO. Will the gentleman yield?

Mr. McFADDEN. I have only a few minutes. The gentleman can get time.

Mr. WINGO. No; I have no time. It is so handled the gentleman controls most of the time. Of course, if the gentleman does not care to yield, he does not have to do so.

Mr. McFADDEN. I do not control the time, but I will yield. If the gentleman does not care for this time, of course I will proceed.

Mr. WINGO. If the gentleman will yield. He declined to yield a while ago and then yielded to another gentleman. I will ask the gentleman this question: The gentleman says that the Federal Reserve Board is against this. I challenge it. What authority has the gentleman got for it?

Mr. McFADDEN. The statement of the members of the Federal Reserve Board.

Mr. WINGO. When?

Mr. McFADDEN. In a speech by Gov. Harding at Indianapolis recently and in personal conversations with me.

Mr. WINGO. The gentleman makes the statement. Show the statement where the Federal Reserve Board considered this question—

Mr. McFADDEN. I did not say they considered it, but I said they were opposed to it. Does the gentleman deny that they are?

Mr. WINGO. I deny the majority of them are against section 1; a majority of them are really at heart in favor of it. I presume they all oppose section 2, but the best argument in favor of reviving the War Finance Corporation is the statement of Mr. Harding before the Senate committee. Nowhere in his Indianapolis speech does he say the War Finance Corporation should not be revived.

The gentleman says that the War Finance Corporation favored it. It has but three members. One of them is Mr. Houston, and the others are two assistants of his in the Treasury.

Mr. McFADDEN. Is the gentleman willing to revive that corporation with such official organization?

Mr. WINGO. Yes; I am. I think most of the damage has already been done. But I did not want the gentleman to leave it in the RECORD that certain gentlemen and organizations were opposed to this, when I know just the contrary, judged by their silence.

Mr. McFADDEN. I wanted to call the attention of the House particularly to what is required when this War Finance Corporation is rehabilitated. When this act was passed it provided an appropriation of \$500,000,000 to be provided out of the Public Treasury for the purposes of this corporation. A year ago at the suggestion largely of Mr. Meyer the then managing head, Congress passed an amendment to this law which permitted this corporation to function in the aid of export trade. It provided among other things that they could use the credit of

this corporation up to the extent of \$1,000,000,000. Notwithstanding the fact that this full authority was given them, only \$46,000,000 has ever been used by this corporation for the purpose of aiding export trade, and it became very apparent to those who were engaged in the duties devolving upon them as directors of this corporation last May that the usefulness of the corporation had ended, because 5 per cent of the loans made were made to concerns whose credit would permit them to obtain money through independent banking channels, and therefore they began to liquidate the corporation, and they liquidated it to the extent of paying back into the Public Treasury \$374,000,000 of that capital stock.

Mr. ANDREWS of Nebraska. Will the gentleman yield for a question?

Mr. McFADDEN. I will.

Mr. ANDREWS of Nebraska. Was that money covered into the Treasury to the credit of the corporation?

Mr. McFADDEN. It stands as a credit to the corporation.

Mr. ANDREWS of Nebraska. Then it is not covered into the Treasury to miscellaneous receipts?

Mr. McFADDEN. My understanding is that it was used in the reduction of the debts of the Treasury Department, and while this balance stands as a credit to the War Finance Corporation, if this corporation is rehabilitated it will require the sale of temporary certificates, or at least will require the issuance of certificates, to be placed back into the treasury of the War Finance Corporation in order to put it in full operation.

Mr. ANDREWS of Nebraska. I want to call attention to this fact, that whenever any money is covered into the Treasury as miscellaneous receipts an additional appropriation must be passed to take it out. No money that is carried on the books of the Treasury is covered into the Treasury.

Mr. McFADDEN. This was the statement of the Secretary of the Treasury in connection with that transaction.

Mr. BYRNES of South Carolina. We have the statement of the Secretary of the Treasury, and he says that it is on deposit in the Treasury to the credit of the War Finance Corporation.

Mr. McFADDEN. The gentleman does not contend that the actual funds or cash is there to the credit of the War Finance Corporation?

Mr. BYRNES of South Carolina. What the gentleman means is, if the corporation calls for this money, inasmuch as it is on deposit there and he has used it, the Treasury certificates, the Treasury would then have to go out and take care of itself.

Mr. McFADDEN. If the War Finance Corporation requires cash to go ahead and do business under this organization, the Secretary of the Treasury has to furnish cash or certificates of indebtedness, or bonds, to this War Finance Corporation. That is exactly the situation. In order to get cash the Secretary of the Treasury will have to sell something he has to sell, and what the Treasury Department does nowadays when it wants any money is to offer temporary certificates, and there is now outstanding some two billions and a half dollars' worth of these.

Mr. BRAND. Does not the gentleman recall that the Secretary of the Treasury testified before our committee in answer to a question from me as to when, if it was revived, it would begin to function and operate, that it would operate immediately?

Mr. McFADDEN. I think he did say that if this law was passed he would revive the activities of the corporation.

Mr. BRAND. And that it would begin to operate immediately, and therefore it follows that the corporation could not do this unless the funds in the Treasury to its credit were available immediately.

Mr. McFADDEN. The Secretary of the Treasury did state that if this was rehabilitated he would either have to replace in the treasury of the War Finance Corporation cash or certificates of indebtedness.

Mr. HAUGEN. It would only be that the money was called for. The money is there on deposit.

Mr. McFADDEN. That is not true. The funds with which to meet the requirements of this corporation would come from the Treasury, as I have just stated, or from a sale of its own securities. And in order to sell its own securities it has to have assets, and the original law provides \$500,000,000 as the amount of capital which the Treasury Department subscribed. And I want to say, too, that I believe before this corporation can sell its securities it must function in an orderly way and must have the capital the law provides, or else the purchasers of those securities will begin to make inquiries as to what assets the corporation has back of its bonds or note issues.

Mr. HUDSPETH. I understood the gentleman to state a while ago that a certain gentleman from the Northwest that came before the committee said a revival of this would not help

the woolgrowers. I represent more growers and sheep in my district than are in Utah, and I am receiving letters every day asking for the passage of this resolution.

Mr. McFADDEN. I am simply repeating what the gentleman said—

Mr. TINCER. As I understand the gentleman, he is defending the Secretary of the Treasury. Does not the gentleman think that the Secretary of the Treasury, who was compelling this War Finance Corporation without any authority of law, to convert \$374,000,000 into the Treasury, might possibly have avoided this difficulty by buying short-time certificates instead of paying off the war debt with that fund, without any authority of law for it?

Mr. McFADDEN. I do not want to attempt to suggest what the Secretary of the Treasury should do or not do in that direction.

Mr. TINCER. I understood the gentleman in opening to say that he was going to defend the Secretary of the Treasury in his attitude toward the War Finance Corporation.

Mr. ANDREWS of Nebraska. That includes John Skelton Williams, I suppose?

Mr. SNYDER. In connection with the question propounded a moment ago by the gentleman in reference to wool, if this Finance Corporation is reorganized and started over, what effect does the gentleman think it would have on the people in his district that now own wool, since they are asking for an embargo on wool into the country? How does he expect that this Finance Corporation, having been started, will assist those woolgrowers in his district? I would like to have the gentleman explain that to us.

Mr. HUDSPETH. Mr. Chairman, will the gentleman yield?

Mr. McFADDEN. Yes.

Mr. HUDSPETH. By making direct loans to them, as they did during the war, thousands of them.

Mr. SNYDER. That is exactly what I wanted to bring out, but I wanted to bring it out from the chairman of the committee, whether he understands that this Finance Corporation is to start lending to the woolgrowers and wheat growers money out of this corporation's funds? I had supposed that this was for the purpose of financing exports and not for the loan of individual amounts of money to individual farmers. Can it be possible that we have come to that? There are banks in this country that are abundantly able to take care of every woolgrower who has wool to put up as security.

Mr. TINCER. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Pennsylvania yield to the gentleman from Kansas?

Mr. McFADDEN. I do not care to yield. I refuse to yield further. The purpose of the revival of the War Finance Corporation was to aid the export business of this country. It was not revived for the purpose of making loans to farmers or to people who are engaged in holding the products of the farms. I do not understand that the rehabilitation of this corporation provides for any such thing now. There can be, under my understanding of this law, no loans made direct to farmers for the purpose of holding commodities. In fact, we have of late been engaged in this country in an attempt to lower prices, and now when we are getting to the point where prices are beginning to go down and the consuming public is beginning to get some benefit from it, we are going to enact a law which will interfere with the working of the law of supply and demand, the very thing that we have been suffering from for some years past.

What I wanted to do when I began was particularly to point out the position we would be in in a national way when we rehabilitate corporations of this kind and continue the Government in business. During the last few weeks and months we have been in a hot political discussion all over this country, in which I think the people have voiced their sentiment in regard to the Government meddling in business; and it seems now that in answer to that sentiment we should not proceed to the rehabilitation of one of those instrumentalities. It seems to me this is a time to begin to separate the Government from business. If this corporation starts in business again and the Treasury of the United States is called upon to furnish these hundreds of millions of capital, it means that the Treasury must go into the market and sell additional securities.

Mr. SNYDER. Mr. Chairman, will the gentleman yield again?

Mr. McFADDEN. If they do not sell their own securities, they will sell the securities issued by the War Finance Corporation; and this legislation provides that those securities or bonds shall be tax exempt; and I would like to inquire of the Members of this House how a privately owned corporation, such as is being organized now, with \$100,000,000 capital, is going

to compete with an institution that has behind it a Government subsidy under the law, such as tax-exempt securities?

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. McFADDEN. Yes.

Mr. SNYDER. Since the chairman of the committee and the gentleman from Texas [Mr. HUDSPETH] absolutely disagree upon this proposition, I take it that the gentleman from Texas is for this measure because he expects that his woolgrowers are to receive loans from the War Finance Corporation for their own purposes. Now, the chairman of the committee says that the resolution does not contemplate any such thing as that. I think that the chairman is correct, and I think that the gentleman from Texas is wrong; but I would like to have this thing cleared up if we can, so that those of us who are called upon to vote eventually upon this measure will know whether we are called upon to vote yes or no upon that proposition.

Mr. McFADDEN. I believe that the farmers and stock raisers of this country who are in distress at this time are deceived as to that. I think that a revival of this corporation will not do what they think it will do, as promised, under the leadership of one who was formerly running that corporation and who believes it should now be revived.

Mr. SNYDER. I would like to ask the gentleman another question.

Mr. McFADDEN. Very well.

Mr. SNYDER. Does the gentleman know of any loan that was made to an individual farmer during the period of the operation of the War Finance Corporation?

Mr. McFADDEN. There were a lot of loans made to dealers in stock in the early days of the financing by the War Finance Corporation; but of late, since we passed that amendment a year ago, loans have been made to such concerns as the International Harvester Co., the Baldwin Locomotive Works, and the Bethlehem Steel Co., institutions that can go into the market and borrow all the money they need upon their own security. In other words, they do not need to lean on the Government at all.

Mr. SNYDER. They are large farmers.

Mr. McFADDEN. The gentleman from Kansas says or intimates that I represent those large institutions. It is not so, and the gentleman has no reason for saying so.

Mr. SNYDER. The gentleman ought to be aware of that fact.

Mr. BRAND. Mr. Chairman, will the gentleman yield?

Mr. McFADDEN. Yes.

Mr. BRAND. You do not mean to answer this question by saying that if this corporation is revived the money is going to be loaned to any individual farmers?

Mr. McFADDEN. No.

Mr. BRAND. The purpose is to loan it to exporters. No farmer will get it in the West or South.

Mr. McFADDEN. That is what I stated.

Mr. SNYDER. What I tried to correct was the impression that was left in the minds of some Members, at least in my mind, that this measure did contemplate loaning to the woolgrowers in the gentleman's district.

Mr. BRAND. The woolgrower will not get any of it by direct loan.

Mr. McFADDEN. Mr. Chairman, I decline to yield further.

The CHAIRMAN. The gentleman declines to yield further.

Mr. McFADDEN. During this war this country has loaned to Governments of Europe \$10,000,000,000, and the exporters have exported in excess of that amount, so that there is an unsettled trade balance now existing of between \$3,000,000,000 and \$4,000,000,000. If I understand the temper of the people of this country, it is to the effect that they are willing to send their products and accommodate these people in Europe so long as they can be secured, and not beyond that point. The great trouble to-day, if there is any congestion or holding back of exports, is to the fact that those devastated countries of Europe can not furnish proper security. I am not aware of the fact that the resources of this country have been denied to the exporters by the banks that have been financing these exports, but it is more properly a question of proper credit being offered to this country if there is any holding up in exports at this time. And if this corporation is revived it is simply notice to those engaged in export business at a profit that the United States Government proposes to finance exports and will lend its credit for that purpose, at least to the extent of \$1,000,000,000, and this in addition to the ten billions of Government loans upon which no interest is being paid, and, further, before the unfunded trade balance of three to four billions has been financed.

It therefore seems to me that if we are to rehabilitate this corporation and lend to it the protecting arm of our Government,

we are discouraging private enterprise in handling this business, and we are continuing the Government in business and putting a hindrance on private capital handling the business affairs of this Nation.

In addition to that, I seriously question the advisability of extending the credit of the Government in this manner, in view of the deplorable condition in which the Treasury is at this time.

Some of these gentlemen say that the banking facilities of this country have been denied to the farmers. The fact remains that Gov. Harding, in a recent address in Indianapolis, pointed out that the Federal reserve banks in distinctly agricultural districts have rediscounted bills for member banks amounting to \$1,500,000,000, and he estimated the proportion of the system's total loans directly in support of agricultural and live-stock interests September 3, 1920, as follows: Federal Reserve Bank of Richmond, 27.3 per cent; Atlanta, 23.7 per cent; Chicago, 48.3 per cent; St. Louis, 22 per cent; Minneapolis, 65.6 per cent; Kansas City, 59.8 per cent; Dallas, 50 per cent; and San Francisco, 58.7 per cent. In some of these banks, he says, the proportion of agricultural paper held is much greater now than on September 3. He says there has been no curtailment of agricultural credits by the Federal reserve banks, but on the contrary, there has been a very large volume of credit extended by member and nonmember banks in support of the agricultural interests, and while this has been going on the deposits in the New York City banks have decreased from November 12, 1919, to November 10, 1920, from \$6,313,998,000 to \$4,916,375,000.

From the evidence presented to the committee it would seem that the Federal Reserve System has been very generous, and in fact, the commercial banks also, in extending credit to the interests which are claiming special relief at this time, who, unfortunately, are holding this great stock of overproduction.

It seems to me, in view of this fact, that the Secretary of the Treasury, the Federal Reserve Board, and the best financial minds of this country should be given some consideration before the passage of a resolution of this character, which provides for the inflation and possible disturbance of our whole financial system that this resolution does.

As a matter of fact, during the past two years the Federal Reserve System has been extending credit, and it has been issuing an increased amount of Federal reserve notes, and it has about reached the limit of safety in that respect. So that it seems to me that when the Federal Reserve System is criticized on the ground that it has not furnished credit to the farmers of the country, the men who make that assertion are not familiar with the facts when they so state.

This legislation, it seems to me, is purely class legislation. There is not any question about it. We might as well look it squarely in the face. It is stepping in and putting your hand into the Public Treasury for the purpose of financing a special interest in the United States, or a special class of industry. You can call it what you like, but it is nothing else than that.

Mr. BARKLEY. What language is there in this resolution that refers to any particular class?

Mr. McFADDEN. The class of exporters.

Mr. BARKLEY. Does not that include men who are engaged in all sorts of enterprises, without regard to their character or nature?

Mr. McFADDEN. That may be indirectly, but as a class it is to aid exporters, and this special legislation is urged now for the purpose of aiding the farmer. I think the farmer is being deluded if he believes that—

Mr. PHELAN. And it does not include the sheep grower and the woolgrower, because they do not export.

Mr. BARKLEY. If they do not export and they are not crippled by foreign conditions, it is not necessary that they be aided in that respect.

Mr. McFADDEN. The gentleman who was before the committee pointed out to the committee the fact that there was a great influx of beef and lamb and wool and all of these products coming into this country. He pointed out that the thing that was necessary to do was to stop imports; that it was not a financial proposition in the first instance, but that they must have an embargo to stop the influx of these products that were coming in competition with the production of our own farms, and that is why I say, when I oppose this legislation, that I do not believe it is going to help the farmer in the way he thinks it is going to, and I believe he is laboring under a delusion when he and his representatives come here and ask for special class legislation. And in that respect I want to point out to you that if you do this thing now, there is the possibility of the revival of the grain corporation—there is danger of a revival of legislation to extend our aid to practically every line of

industry in the United States. I want to say to you men here that this is no farmers' proposition at this time. We are in the midst of a general business depression. Those men who are in close touch with the business affairs of this country know that there is a general business depression throughout the length and breadth of this country of practically 70 per cent; and while these special people are suffering it is only a part of the suffering which they must bear in unison with the other business interests that are suffering in like manner, because of this great world-wide adjustment which is taking place, and it is necessary to get things back to a proper level in this country and as soon as possible, and we must all work out our own problems without running to the Public Treasury every time we have a pain.

Mr. SNYDER. Will the gentleman yield?

Mr. McFADDEN. I will.

Mr. SNYDER. With reference to the special class, the last whereas to this resolution reads:

Whereas the banks of the country are unable to extend credit to the farmer in order that the farm products may be held until they can be sold in a fair and reasonable market.

Mr. McFADDEN. There is the problem right there. Everybody has been trying to get prices back to normal. This is a proposition to stop the normal process of development in that particular. We propose to check the falling of prices, so that they can not get down where the consuming public will get the benefit of this readjustment. The manufacturer and the producer have each suffered in turn but the poor public is deprived of the full benefits, and it is time that he did—

Mr. SUMNERS of Texas. Will the gentleman yield?

Mr. McFADDEN. I will.

Mr. SUMNERS of Texas. Is it the information of the chairman that it would not be a good thing to check the decline in prices now if it could be done by safe legislation?

Mr. McFADDEN. I do not understand that the consuming public is getting the full benefit of the reduction in prices. It is my information that until the consuming public gets the full benefit of the reduction in prices the matter should proceed. [Applause.]

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. STRONG of Kansas. Mr. Chairman, I yield 10 minutes to the gentleman from South Carolina [Mr. STEVENSON].

Mr. STEVENSON. Mr. Chairman, let us take up the discussion at the point where the gentleman from Pennsylvania [Mr. McFADDEN] left off. He says that this is class legislation, that this is legislation to provide money for the benefit of one certain class, to wit, exporters. In the first place, the thing this country needs is for commerce to move, and if you provide the machinery whereby the exporter can finance his bills, commerce moves, and to the benefit of the woolgrower, the sheep grower, the wheat grower, the cattle grower, and everybody else.

But I do not think the Congress can afford now, even if that was true that it was in favor of the farmer, to raise the cry of class legislation. The Secretary of the Treasury is every day paying out millions of dollars to the railroads under the direction of Congress. The Secretary of the Treasury is forbearing to collect millions of dollars that the railroads owe the Government, under the direction from this same Congress. The Secretary of the Treasury has been paying out on a guaranty millions of dollars that were directly provided for by legislation by this Congress for the benefit of one class of business people.

Let us see what those figures are. We provide in the Esch-Cummins bill for a fund of \$300,000,000 to loan railroads. We provide for guaranties upon which the Treasury has paid out \$650,000,000. We provide for the payment of our debts to the railroads, largely without set-off, and to take long-time obligations of the railroads with a small amount of security that they can give on the debt of \$933,000,000.

I do not think we will be in a good position to reply to the farmer, "We could not do anything for you because it is class legislation," when the farmer asks us what we did about the railroads—\$2,000,000,000 that we have provided for them during this same Congress.

Mr. KINCHELOE. Will the gentleman yield?

Mr. STEVENSON. I have only 10 minutes.

Mr. KINCHELOE. I simply want to ask the gentleman if he has information as to how much was paid to the war contractors and the shipbuilders?

Mr. STEVENSON. I have not the information. Now, so much for that. If this is class legislation we are all tarred with the same stick and have no decent answer to make to people whose products they can not sell because their exports can not be financed.

The gentleman said that there was in Gov. Harding's speech, and it is true, that the agricultural interests had had paper discounted to a large extent in the Federal reserve banks of this country, and that is true. I can show that they could go considerably further, but they put the brakes on. How are you going to loose the brakes. There are agricultural notes in the banks to-day because the export trade of the country has been tied up and there is no foreign market for the sale of agricultural products. You provide for the exporter at Wilmington to export 100,000 bales of cotton, you finance his bill, give him the cash, and the millions of dollars that come from that sale goes to the farmers and from them into the banks that have discounted his paper, and goes into the regional banks, and you will have the cancellation of all the debts by the cash that will be put in circulation. That is the trouble. The money of the country is largely tied up in unmarketable products because there is no financing of these goods that are to go abroad.

The gentleman says that \$4,000,000,000 have gone abroad and been financed. That is an exaggerated statement. I am not charging my friend with exaggeration because it has been said by the Secretary of the Treasury; but granting that that is true, what does that show?

It shows that the banks of this country have at this time gone their limit in financing these corporations, and they can not go further. We have got to give to the investing public in this country the bonds of the Finance Corporation, bonds that are issued on capital stock, get the investing public to take these bonds, put the money into the commerce at the present time, and put that at the service of the exporters, and thereby finance the property that has been made by the farmers of this country and let the money pay up the debt of the farmers and relieve the banks.

Now, we hear all this about there being no further power to carry paper. In November the Federal reserve notes were contracted \$30,000,000. Last week they were contracted still more.

Mr. DUNBAR. Will the gentleman yield?

Mr. STEVENSON. Yes.

Mr. DUNBAR. Is it not a fact that while there may have been a temporary contraction of Federal reserve notes last week, is it not a fact that since June 30 of last year the Federal reserve notes have increased \$280,000,000, and for the year previous increased \$750,000,000?

Mr. STEVENSON. I can give the gentleman better stuff than that. In 12 months from November 1, 1919, to November 1, 1920, they increased \$576,000,000, but they were always covered by a gold reserve that was ample, and the gold reserve increased in the last 30 days from 44 to 48 per cent, when you set aside 35 per cent as a reserve against the deposits.

To-day it is around 49 per cent, when you set aside 35 per cent for your deposits. You have 49 per cent of gold reserve for every dollar of the Federal reserve notes, and, therefore, we have not come to any impassable position with regard to the money of this country.

Mr. DUNBAR. Mr. Chairman, will the gentleman yield further?

Mr. STEVENSON. Yes.

Mr. DUNBAR. Is it not a fact that for \$3,600,000,000 worth of Federal reserve notes we have but \$1,200,000,000 worth of gold, and that is less than one-third? That is according to the daily statement issued by the Treasury Department.

Mr. STEVENSON. The daily statement issued by the Treasury Department does not give accurately the condition of the Federal reserve notes and the Federal reserve banks. If the gentleman will look at Sunday's paper he will see the statement made that the net gold reserve last week increased considerably.

Mr. Chairman, I want to address myself just for a minute to the conditions. They are not peculiar. People out West and the people in the South want money for their agricultural products, and the people of the Northeast want money for their manufactured products. You will never get a market until you start business.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. STRONG of Kansas. Mr. Chairman, I yield seven minutes to the gentleman from Alabama [Mr. STEAGALL].

Mr. STEAGALL. Mr. Chairman, it seldom happens in the history of legislation that this House has an opportunity to vote upon a proposition the wisdom of which has been tested out and demonstrated in the light of practical experience. Such is the case with reference to the rehabilitation of the activities of the War Finance Corporation. Gentlemen must not confuse the resolution before the House with the passage of the original bill establishing this corporation. If we were called upon at this particular time to have the Government set up an agency

to engage in the sort of business for which this corporation was originated, there would be ground for diversity of opinion as to the wisdom of such action. But that is not the question before the House. The question is whether we shall have the board of directors of the corporation go forward with the business for which it was established or indorse the action of an administrative officer of the Government in peremptorily terminating the activities of the corporation at a time far in advance of the period intended by Congress. The original War Finance Corporation act was passed to assist in financing such business undertakings as might be essential to the successful conduct of the war.

Four months after hostilities had ceased Congress extended the provisions of the law by an amendment providing that the corporation should engage in loaning money to the extent of a billion dollars to aid in the exportation of American products and the loans to run to the maximum limit of five years. The corporation had at that time and still has a capital of five hundred millions, subscribed and paid by the Government. The corporation has to its credit in the Treasury now \$370,000,000, in addition to its other assets. It is authorized to issue bonds for a sufficient amount to make the maximum of loans allowed under the law. The former director of the corporation, who is perhaps better informed than anyone else regarding the affairs of the corporation, stated in the hearings before the Committee on Banking and Currency that the corporation could easily dispose of its bonds at 6 per cent. At the time of the passage of the amendment authorizing the corporation to make loans to aid in exports the Government was still engaged in making vast loans to Europe. The Government had loaned the sum of \$1,400,000,000 between the time of the cessation of hostilities and the passage of this amendment. It was recognized on all hands that in the disturbed condition of finances and affairs throughout the world extraordinary steps would be required to maintain our export trade and preserve the prosperity which our people were enjoying. The stricken people of Europe had need for all they could purchase from us, but no funds with which to pay cash for our goods. The only method by which our trade could be maintained was through the extension of credit, and it was greatly desired to have the Government put an end to the policy of making direct loans to the nations of Europe.

In the very nature of things a new situation confronted the business world with which they were not prepared to deal. The banks of the country acting individually could not undertake the enormous and hazardous risks required. Congress undertook to provide the necessary legislation by which our export business could be handled on a permanent basis without aid from the Government. We passed what is known as the Edge law, authorizing the establishment of corporations to engage in financing export trade and permitting banks to subscribe to the stock of such corporations. The proposition was to allow the banks to cooperate and by assuming a limited liability organize corporations to assist in carrying on foreign trade. Any man with reasonable forethought was bound to recognize that our prosperity could not last if we did not make some provision for selling our products to the outside world. When the Edge bill was before the House I called attention to the danger of the disturbed conditions confronting the country. In a speech on that measure delivered on November 3, 1919, I said:

The situation respecting our foreign trade is such that something should be done to make sure that the farmers and manufacturers of the Nation shall not suffer from a severe slump in our exports and sudden and sweeping decline in prices. We are told that for the fiscal year ending June 30 last our exports exceeded imports between four and five billions of dollars. Our trade during that period, including both imports and exports, reached the stupendous sum of more than \$10,000,000,000. This vast volume of business can not be handled to the best advantage of the American people without some new method of international banking. The American dollar has advanced until it is worth \$1.12, as it relates to the British pound sterling. In France and Italy it is even much higher, and in Germany higher still. This is bound to result in the impairment of our foreign trade to the great detriment of the cotton growers, the wheat growers, the cattle raisers, the manufacturers, the laborers, and every interest of the American people. We must maintain and increase our production and continue to ship our goods to the markets of the world if we hope to preserve our marvelous prosperity.

The War Finance Corporation was designed to bridge over the period following the war until steps could be taken by which private capital could take over and handle the business of financing our export trade. The Edge law sought to establish a method by which private capital could be organized to conduct this business, but before the business world could avail itself of the opportunities offered by the Edge law the Secretary of the Treasury succeeded in closing down the operation of the War Finance Corporation. He did this in face of the fact that the corporation was intended to cover the period of readjustment.

I have just outlined and in face of the specific provision of the law that it should terminate upon the President's proclamation of peace. It was not intended that the time of the cessation of actual fighting should have any bearing on the matter. The Congress foresaw that there would be more or less chaos and confusion in our international relations for fully a year after formal declaration of peace. Again, at the time of the passage of the amendment to the act—March 3, 1919—providing for assistance in financing exports, no one had any thought that there would be a formal declaration of peace earlier than the latter part of that year. The President at the time of the passage of the amendment was in the United States. It was necessary that he return to Paris for completion of the peace treaty, and then it would have to go to the Senate of the United States and be ratified before there would be any proclamation of peace. It will be seen that the Secretary of the Treasury not only terminated the operation of the corporation before a proclamation of peace by the President, but he did so many months before the Congress at the time of passage of the amendment could have thought it possible for such proclamation to be issued. It is so clear that the action of the Secretary of the Treasury was contrary to the intention of Congress that there can be no serious controversy about the matter.

Mr. McFADDEN. Will the gentleman yield?

Mr. STEAGALL. I have not the time, otherwise I should be glad to do so. The resolution before us only proposes that we reaffirm our confidence in what we did last year. It is not proposed to require anything to be done, except that the law already passed be carried out. It is simply a direction to an administrative officer of the Government to go forward with the business of the corporation, which he, himself, says was terminated by his instruction. Some of the members of the board to whom his directions were given are holding and still hold subordinate positions under him. But the Secretary of the Treasury states that if the resolution before us is passed he will go forward with the business of the corporation, and that it will function along the lines originally intended. It is not my purpose to make harsh criticism of the Secretary of the Treasury for his action. Conditions then were vastly different from those with which it is our duty to deal at this time. The important thing is to deal wisely with the situation as it exists to-day.

Has any harm ever come from the operation of the corporation? Did its officers prove reckless and incompetent? Did they undertake to float securities to the embarrassment of the Government? Did they accept business indiscriminately and unwisely and extend credit to any unworthy enterprise? The record shows the reverse to be the case. The fact that the corporation was managed so conservatively and limited its business to such a small volume is even urged as argument against the revival of its operations. The fact is the gentlemen opposing the resolution answer one another. At one time they tell us that the corporation did not function or do business enough to accomplish the relief its proponents desire at this time. The next moment they seek to arouse apprehension that if the corporation resumes its activities the directors will go out and float bonds to the limit of their authority and involve the Government in schemes that will be embarrassing to the Treasury. The fact is neither contention is true. The record shows that the corporation was most conservatively managed; that none of the evils that have been pointed to in this discussion ever happened. During the period of operation the corporation sold only \$200,000,000 of bonds. This issue of bonds, bearing interest at 5 per cent, was disposed of in five days, notwithstanding the fact that the press announced on the second day that the entire amount had been raised.

This fully justifies the opinion of Mr. Meyer, former managing director of the corporation, that the investing public would now gladly accept \$200,000,000 of the corporation's bonds. The Secretary of the Treasury who had such potent voice in the conservative management of the corporation as it was formerly run entertains the same conservative views with respect to the wisdom of reviving it. He will still be in virtual control of the system when it resumes business. The corporation was doing a conservative, helpful business.

It has been contended that the revival of the corporation will interfere with the organization of corporations under the Edge Act. The fact is, as shown by the testimony in the hearings before the Banking and Currency Committee, the financiers now interested in the organization of the \$100,000,000 corporation under the Edge law launched at Chicago recently and those interested in organizing the \$6,000,000 corporation which is being formed at New Orleans, all favor the revival of the War Finance Corporation. They look to it for aid in inaugurating the new companies and in financing their undertakings.

Let me say just here that it is not contemplated that loans by the corporation shall be made to foreign Governments or citizens of foreign Governments, but loans are restricted to exporters in our own country.

All loans that have been made were made upon the indorsement of American exporters and banking institutions. The corporation suspended business on May 1, 1920. But shortly after the stopping of loans by the corporation our exports declined until the month of November, 1920, when there was an enormous decline of exports, especially agricultural products. It is true that there was an increase in the volume of our exports as expressed in dollars at the time of the action of the Secretary. Many people have been misled by figures showing our yearly exports, as expressed in dollars. The thing that really counts with the producer is the amount of products exported. The farmers produced cotton, corn, and wheat and other products. Attempt is made to show that the volume of exports is 25 per cent in excess of what it was before the war. But this is misleading. Exportation of cotton from September 24 to November 27, 1920, was 1,481,450 bales. It was about the same for the same period last year. Our cotton exports for the same period in 1913 were 3,837,139 bales, the year before that 3,808,429 bales, the year before that 3,710,514 bales, and the year before that—10 years ago—2,915,511 bales. This is a true statement and shows what our actual exports in cotton have been. It furnishes a good illustration of the entire situation.

The farmers of the country are not so much interested in securing credit to enable them to hold their products as they are in finding a market in which to sell their goods at a fair price. Farmers, merchants, bankers, and all classes in the wheat and cotton growing sections are suffering because of a lack of markets for their products and a general shutting down of business in consequence. Everyone in this body knows what conditions are throughout the country to-day. When the Secretary of the Treasury had the corporation cease functioning he said that the country was prosperous and unemployment negligible. This was set forth as the controlling reason of his action. Can anybody say that the statement of the Secretary of the Treasury is applicable to conditions at this time? Certainly, if there ever existed any necessity for an agency like this to bridge over the period between the termination of the war and the time when exports can be undertaken successfully without Government aid—if there ever was a time that such a policy was wise—who can deny that such is the case in the conditions that confront us now?

There is nothing in the contention that the resolution involves class legislation. We seek simply to revive the operation of a law which by its terms extended its benefits to all classes and all kinds of American products. Such was the kind of business the corporation engaged in while it operated, and such will be true of its future transactions. It is true the Senate resolution as originally drawn limits its application to products of the farmer. At the time the Senate Committee on Agriculture framed its resolution I offered a concurrent resolution in the House making the aid to be extended apply to all American goods, products from mines, farms, and factories, and the resolution before us has been amended so as to have the same broad application. It applies to all American goods, as well as to farm products.

Mr. McFADDEN. Will the gentleman yield?

Mr. STEAGALL. Yes; if the gentleman will give me enough of his time in which to answer him.

Mr. McFADDEN. The gentleman agrees that the corporation has been functioning for the last year.

Mr. STEAGALL. Oh, no.

Mr. McFADDEN. For how long?

Mr. STEAGALL. It was functioning up to May 10, 1920.

Mr. McFADDEN. And during all that time it had capacity to lend to the extent of a billion dollars?

Mr. STEAGALL. Yes.

Mr. McFADDEN. How much aid, all told, was expended?

Mr. STEAGALL. The gentleman has the figures—\$46,000,000 in actual loans were made, but the gentleman knows that the testimony before the committee shows that the greatest service rendered was in arranging for financing exportation by other institutions. That proof shows that in many cases the directors of the corporation helped applicants for loans to secure the desired accommodations from other sources. Such will be the case hereafter. The direct loans made is by no means a fair criterion by which to judge the benefits of the corporation. The gentleman in one breath seeks to alarm the House lest the Treasury become involved in business backed by its credit to the extent of \$1,000,000,000, and yet in the next breath he makes objection to the resolution because he says it will do no business at all. First, the appeal is to those who think

only of the money side of the proposition, then they turn to those who are seeking relief for the farmers of the country and tell them that the corporation will not do business enough to be of benefit.

Mr. McFADDEN. Will the gentleman yield?

Mr. STEAGALL. I will.

Mr. McFADDEN. Does the gentleman believe that the class of credits which are being offered now presents a dangerous situation? Is not that one response by the Secretary of the Treasury to gentlemen when he stated it to the committee in words to that effect?

Mr. STEAGALL. The record shows that a big part of the business of the directors was in rejecting applications for unsound credit. There was never more conservative management of any business than was that of the board of directors of this institution. Not a dollar was lost during the time of its operation. The corporation had pending and approved when it suspended operations applications for loans amounting to \$100,000,000, 75 per cent of which were for agricultural purposes.

The proposals thus approved by the board were as follows: \$17,500,000 of copper, \$2,200,000 fabricated steel to Italy; \$5,000,000 "Black Patch" tobacco from Tennessee and Kentucky, \$4,000,000 cotton to Czechoslovakia for a large southern exporter; \$25,000,000 cotton to Czechoslovakia for a group of southern bankers; \$3,000,000 for cotton to Italy by a group of bankers; \$9,000,000 by a group of bankers for export of cotton to Italy; \$24,000,000 for the export of cotton by a syndicate of banks headed by one of the largest national banks in the United States; \$2,400,000 by a group of bankers for coal to Italy; \$4,000,000 by a group of bankers for cotton to Italy; \$4,000,000 for ships to be bought or constructed in this country for Italy; in all, \$100,000,000 in applications promising practical results with adequate security, according to the opinion of the directors of the War Finance Corporation.

No wonder that the sudden shutting down of the corporation under the circumstances when it was doing so much for American business should have had a depressing and demoralizing effect. It was helping every legitimate interest, as it will do when it starts its activities again.

All thoughtful men recognize that the farmers of the country prosper through the prosperity of the manufacturers; the manufacturers prosper through the prosperity of the farmers. The farmers are in a way dependent upon the bankers and the bankers are dependent upon the farmers. Every worthy class is interested in the success of every other legitimate line of endeavor. The resolution seeks to benefit every section and every interest in the country, and everybody knows that in every section there is crying need for relief, and all depend to some extent on our export trade. The prosperity of the entire Nation is involved in our export trade.

The talk we hear that nothing can be sold because nobody needs anything is absolutely fallacious. Why, we are told in the press reports to-day that 30,000,000 people are starving in one nation alone. They are a peaceful people, possessing vast resources, yet we are told nothing can be done to extend credit to them; that we can do nothing toward finding a market among them for our food supplies. Neither is true. Gentlemen, one of the most foolish things ever heard is this idle talk about overproduction. There is no overproduction of necessities in this country to-day. [Applause.] God Almighty does not do things in a foolhardy way. There is not one more drop of water in the ocean than there ought to be, and there has never been a pound more cotton or corn or wheat yielded from the soil of this land than was best for mankind. [Applause.] It is mockery to treat the bounties and blessings of nature as a misfortune, and it is ridiculous to say that large crops are a curse. If such argument were true, we might ask if it would not be well to import a few more anarchists to burn and destroy some of them. There is nothing to it. [Applause.]

Much has been said in this discussion about cotton. I declare to you that I have never seen the time when the people in the cotton section, many of them women and children, both white and black, who toil with their hands to make this great crop, have had sufficient clothing to shield them from the winter winds even in that mild climate. What the world needs is proper facilities for the transportation and distribution of the products of the toil of man, and there has never been greater need for this throughout the world than there is to-day.

Mr. BROOKS of Pennsylvania. Will the gentleman yield?

Mr. STEAGALL. I will.

Mr. BROOKS of Pennsylvania. Does the gentleman think that because we have two years' supply of wool in this country that anarchists ought to be imported here to burn it up?

Mr. STEAGALL. I will let the gentlemen of the House answer that in their own minds. If the gentleman had understood me fully, he would not have asked such a question. None of us wants that, and certainly there is no gentleman here who would make that statement.

Now, let us see. The gentleman from Pennsylvania [Mr. McFADDEN] says the people voted to separate the Government from business of this kind. I want to ask the gentleman, if that is so, why it was that when we passed the bill this week repealing the laws enacted to aid in the prosecution of the war, the legislation providing for the establishment of the War Finance Corporation was specifically exempted from that measure? Only this week, gentlemen, has this House reaffirmed its attitude and opinion on this question. [Applause.]

I do not contend that the passage of the resolution will result in immediate and complete relief. It is always more difficult to cure than to prevent. It can not be doubted, however, that the discontinuance of the operation of the corporation had its part in the disturbance and destruction that have overtaken the values of agricultural commodities and which has affected seriously the bankers, merchants, and every legitimate interest. The corporation was created to deal with the very sort of situation that now confronts us. It is not class legislation. Every thoughtful man who knows the alphabet of economic affairs understands that our prosperity and progress depend upon the success of the farmers. But we seek to aid every legitimate interest in the Nation. What farmers of the Nation need, what bankers need, what the whole country needs is to start business to going in order that debts may be paid, confidence restored, and money released. This is the kind of credit deflation the country needs. To get it we must pay proper regard to our export trade. We are blessed with the most marvelous resources on earth. We are surrounded by plenty in all the things that should bless mankind. Mountains and mines have given up their treasures, our cattle feed upon a thousand hills. Our soil has yielded a prodigious harvest.

We have in abundance the food, fuel, and raiment for which the world stands in need. All that is required is a better system of marketing and distribution. This is the task that confronts us. Not to undertake it now involves a confession of bankruptcy of American statesmanship.

The Government should exhaust every effort to aid in working out the problems that have come with the emergencies attending the war. It has been demonstrated by experience during the time it was in operation that no evil effect may be feared from the resumption of the War Finance Corporation. The best brains of the Nation believe that the revival of its activities will be helpful in solving the difficulties which all recognize, and for which so many of us desire to find a remedy. The corporation is authorized to make loans to the extent of \$1,000,000,000. The authorized use of such a fund for facilitating exports is bound to increase and stimulate business on every hand and will revive confidence and hope throughout the land. [Applause.]

Mr. STRONG of Kansas. Mr. Chairman, I yield five minutes to the gentleman from Kansas [Mr. TINCHER].

Mr. TINCHER. Mr. Chairman and gentlemen, I am not surprised after reading the recommendation of the Secretary of the Treasury to this Congress as to our new tax law when he suspended the operation of this law and took \$374,000,000 that was supposed to be used to carry on the export business of this country and retired a portion of our war debt within three weeks of the time that this Congress expressed itself in favor of saving the War Finance Corporation as a reconstruction law. It is, however, the only law that the Secretary of the Treasury suspended, the only war law that was to be carried out at the time we attempted to repeal the war laws, and we excepted it. I am surprised that any man, especially on this side of the House, would rise in his place and defend the attitude of the Secretary of the Treasury. In my district we passed on this proposition, because I told them out there that the destruction of this law, the suspension of that law, passed in March, after the signing of the armistice the fall before, by the Secretary of the Treasury was in keeping with the Democratic administration, and was autocracy, unwarranted and unauthorized, and was working a hardship upon the people of my district, and it did. It has suspended everything, and there is no other agency, either private or public, to take its place. This Congress has been good to the Secretary of the Treasury, and passed a law that he recommended authorizing the creation of a private corporation to function during the reconstruction period, but because of his anxiety to deflate, not the currency, but the prices to the producer, in his anxiety to push his pet theory of paying some of the war debts right now, he took that money and, instead of retiring certificates which would be due in

60 or 90 days, he retired war bonds. He took that money out of the Treasury, without any authority of law to do it and used the credit on the books of the Treasury of this country, showing that the War Finance Corporation has that credit. Notwithstanding the fears of some of my colleagues as to the effect of the resumption of the War Finance Corporation, I do not think it can do any harm, and certainly the people of this country are entitled to have any good that might come from it. It is no class legislation. If it is class legislation, then what kind of class suspension did the Secretary of the Treasury, whom you so ably defend to-day, indulge in last May when he suspended this corporation?

I do not believe it and I challenge it. And while I can not be accused of being overfriendly to the attitude of the Secretary of the Treasury, I will not charge or indict him for suspending the only law that was in effect that affected the farmer, but if the resumption of that activity by this corporation is class legislation, then he was guilty of the vilest kind of class suspension.

He did not deflate the currency. He deflated the prices of farm products; he destroyed the prices and demoralized agriculture in every particular. I have not much confidence in the way this law will be administered in the future, judging the future by the past. Realizing the attitude the Secretary of the Treasury takes in the matter, I can not be as sanguine—

The CHAIRMAN. The time of the gentleman has expired.

Mr. TINCHER. May I have one minute more?

Mr. STRONG of Kansas. I yield one minute more to the gentleman.

Mr. TINCHER. Some one has said that the farmer wanted this law for temporary relief; that he wanted a tariff law for permanent relief. Well, give us this temporary relief, and I promise you that the prospects are fair that after the 4th day of March it will not take as many Congressmen to pass a tariff law as it does now. And we have the best prospect for a tariff law, that all my good friends are practically unanimous in wanting to-day, that we ever had. [Applause.]

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. PHELAN. Mr. Chairman, I yield 25 minutes to the gentleman from Massachusetts [Mr. LUCE].

Mr. LUCE. Mr. Chairman, last week there gathered in the city of Chicago a conference assembled at the invitation of the president of the American Bankers' Association. The purpose of that conference was to develop a corporation with a maximum financial capacity, under the Edge law, of \$1,000,000,000. As a result of that meeting, I find in the Chicago Tribune of December 12, Arthur M. Evans writing the article:

The billion baby in the world's markets was born yesterday. The project to form a corporation of \$100,000,000 capital and \$1,000,000,000 capacity was adopted by the conference of finance, agriculture, industry, and business interests. A committee of 30 was appointed, and \$100,000 to meet the expense of launching the project was raised in 10 minutes.

Upon the following day the Chicago News, in an editorial, said:

Herbert S. Hoover described the Chicago conference of bankers, manufacturers, and farmers, which authorized the formation of a \$100,000,000 corporation to help finance American foreign trade, as the most momentous since the armistice.

The most momentous since the armistice! At the very time when this corporation is in process of formation the Congress of the United States is asked to do precisely the same thing, with precisely the same limitation on investment—\$1,000,000,000.

Mr. CHINDBLOM. Will the gentleman yield for a question?

Mr. LUCE. Certainly.

Mr. CHINDBLOM. How far has this organization or corporation under the Edge law progressed in its formation?

Mr. LUCE. Last week, the report says, it raised \$100,000 in 10 minutes for the preliminary expenditures.

Mr. CHINDBLOM. How far have they gotten along in doing business? When will they be ready to make loans and extend credits?

Mr. LUCE. I do not know. I know the initial steps have been taken.

I desire to call to the attention of the committee the contrast between these situations, and ask them to consider if they ever had a more definite or clear chance to choose between progress by the Government and progress by individual initiative. Mind you, these corporations, one a Government corporation the other a corporation started by private citizens, have the same limitation upon their possibilities—\$1,000,000,000. What is the contrast in the raising of their capital? Here you contemplate putting your hand into the Public Treasury and taking from the taxpayers of the country, or adding to the country's debt, to raise a capital of \$500,000,000. That is the way the Government proceeds, or the way you direct your Sec-

retary of the Treasury to proceed, namely, to take the money of the taxpayers for your capital. That involves no exertion whatever, it requires no initiative, no personal activities on the part of those soliciting subscriptions. Did any gentleman ever engage in starting a corporation find himself confronted by a more attractive method of raising capital than by passing a law in the House of Representatives and in the Senate and have it signed by the President? All you have to do is to draw from the Treasury your capital. On the other hand, the private citizens organizing for such a purpose have to go out and get the capital subscribed.

What happens next? You say to the public corporation, "Your shares and your bonds shall have tax exemptions," and you say to your private corporation, "If you succeed in inducing people to invest money in your enterprise, they shall pay taxes." In other words, you give a bonus at the very outset to your public corporation, you put a handicap on your private corporation.

It is known by those on the inside that the bonds of your public corporation are not to be guaranteed by the United States. The \$500,000,000 of capital is a guaranty, but there may be \$500,000,000 without guaranty by the Government. Almost every small buyer of bonds will think them guaranteed. Indeed, your Secretary of the Treasury has pointed out that the bonds can not be sold unless they have behind them the guaranty of the United States Government. Your private corporation has no such guaranty. Your private corporation has the guaranty of the money paid in as capital stock, but beyond that none, as I understand it.

Under these circumstances, gentlemen, let us next confront the element of risk. Let us next ask ourselves whether we may prudently hazard the money of the people in this emergency.

Let me call your attention to the facts of the condition in Europe, to which most of this exportation is to be made. Let me ask you solemnly to reflect as to whether you believe you are warranted in your official capacity in extending the public credit further to the consumers of Europe—for that is what this means in the last analysis.

Of course, it goes through the form of being loaned to the exporter and accrues to the benefit of the producer, but in the last analysis the money is loaned to the consumer in Europe; and what has Europe been doing in these two years since the armistice to show that we ought to intrust to her another billion dollars of credit? The statisticians inform us that the additions to the debt of the world—and that is for much the greater part European—were \$44,000,000,000 in the first year after the armistice, and that they were \$42,000,000,000 in the second year after the armistice, so that they have increased in these two years from \$212,000,000,000 to the stupendous figure of \$300,000,000,000. At the same time these countries to which it is proposed to extend this credit have been working the printing presses to their utmost capacity in grinding out paper currency. At the conclusion of the armistice the paper money of the world, nearly all European, amounted to \$43,000,000,000. A year later it was \$55,000,000,000, and two years later it was \$82,000,000,000. At the present moment the paper money of the world has behind it only 9 cents in gold for every dollar in paper.

May not that give pause to gentlemen who think that we might, offhand, hastily, without great reflection, hazard a billion dollars more of our credit in these investments? But it may be—it may well be—that private individuals, private exporters, may desire to take the risk and be willing to take the risk which as holders of a public trust it would be unwise and improper for us to take. Why not leave this to the men who are willing to take the risk and stake their own money rather than make it perhaps impossible for them to function by putting in competition with them an organization based upon the taxpayers' money in part, with the taxpayers' guaranty in part, with the advantage of tax exemption and functioning as a Government institution?

Mr. BLANTON. Mr. Chairman, will the distinguished gentleman yield?

Mr. LUCE. Always with the greatest pleasure.

Mr. BLANTON. Take a cattleman, for instance, who as the result of a lifetime of work owns 50,000 acres of land, who has borrowed from the bank \$80 a head to buy 10,000 head of aged steers at \$90 a head to pasture on his land and to mature for the market. He has the grass and water to fatten and mature them. That paper is class A paper with the Federal reserve bank. It is as good as gold anywhere. If he can mature those steers and put them on the market fat he has made a good profit, as they would likely sell for \$100 to \$110 each. The member bank feels perfectly safe in lending \$80 a head on such

steers, costing \$90 a head, when there is plenty of grass and water to mature them. Then the Federal bank right now, at a time when the cattle are not fat—when, if the cowman could hold them a couple of months, the cattle would get fat, and he could then put them on the market at a profit—the Federal reserve bank requires that money to be paid in now, and the member bank from which he borrows the money forces him to ship those immature steers and put them on the market unfattened, when they will not bring more than, say, \$60, and not anything like the money he has borrowed from the bank, and at one fell swoop he is caused to lose every dollar of his earnings of a whole lifetime. Does not the distinguished gentleman think the Government ought to help do something in that emergency at the present time? That is the situation that prevails with the stockmen, and a worse situation prevails with respect to the farmer.

Mr. LUCE. The gentleman presents a very interesting hypothetical question which has no relation to the question I am discussing.

Mr. BLANTON. Oh, the distinguished gentleman from Massachusetts may become exhausted some day physically, but he never will mentally. [Laughter.]

Mr. DEWALT. Mr. Chairman, will the gentleman yield?

Mr. LUCE. Yes.

Mr. DEWALT. Taking it for granted that the risks attendant are as great as the gentleman has said, does the gentleman believe that private enterprise would go into this business if the risks are such as he has pictured? Do I make myself clear?

Mr. LUCE. Mr. Chairman, the gentleman makes himself very clear, and presents the most embarrassing question that can be asked of me. My personal views in this matter and my personal apprehensions are of such a nature that I am wondering whether I should be rendering a public service if I spread them on the record. I have been told so many times of the psychological damage done at a time like this by statements that may not prove to be warranted by facts, but are statements of opinion on the part of persons in such positions as the gentleman and myself occupy, that I do not think that I ought to put my personal judgment into the record, but that I ought to confine myself to the one thing: If there be risk, it shall be better borne by private citizens than by representatives of the taxpayers. You have the private citizens at hand ready and willing to take this risk, organizing to take this risk. Why plunge the Treasury of the United States into that which the private citizen is ready to do?

Mr. DEWALT. As I understand the gentleman's answer to my question it is this: That while he has an opinion on this subject, he does not believe that it is expedient for him to give it?

Mr. LUCE. Yes.

Mr. JONES of Texas. Mr. Chairman, will the gentleman yield?

Mr. LUCE. I do.

Mr. JONES of Texas. I understood a while ago that it was the gentleman's contention that this bill would raise revenue. If it would raise revenue there would not be any risk in extending the credit of the Government.

Mr. LUCE. The gentleman misunderstands me. I meant to say that it could raise revenue.

Mr. JONES of Texas. Another question. As to the hypothetical question propounded by my colleague [Mr. BLANTON], as to throwing these cattle on the market that are not mature, does the gentleman think the public interest would be promoted by allowing those cattle to be matured and developed into better beef, and that ultimately the public interest would be promoted by doing so?

Mr. LUCE. I have not the slightest doubt of that. I wish it could be done; but the representatives of that industry came before our committee and said this bill would not directly help one iota toward that end. They said it would help general business, and that if it helped general business it would benefit the cattle raiser, as it would benefit everybody else, but that this bill was not the remedy.

Mr. JONES of Texas. Does the gentleman mean that the representatives of the cattle interests said they did not want this bill?

Mr. LUCE. No; they said if this bill helped the general business situation they were for it.

Mr. JONES of Texas. If it will help the general business situation, is not the gentleman for it?

Mr. LUCE. I am not for helping the general business situation temporarily, with the certainty of ultimate damage, any more than I advocate the taking of alcohol for the temporary stimulation of the human body.

Mr. JONES of Texas. Does not the gentleman think the work of this corporation heretofore has resulted in advantage both to the Government and to the general public as it was operated when it was heretofore in full force and effect?

Mr. LUCE. If the gentleman would read the statement of the Secretary of the Treasury he would find, if my memory does not deceive me, that this corporation was of service during that period of uncertainty immediately after the conclusion of the war, when it was feared that exports would fall off because they could not be financed, but presently it was found that private initiative was equal to the exigency and that it was no longer necessary to hazard the public funds. It did function usefully until the needlessness of its further continuance was shown by experience.

Mr. JONES of Texas. I will state in that connection that I am not willing to accept the Secretary of the Treasury as the final authority on that subject.

Mr. BRAND. Will the gentleman yield for a question?

Mr. LUCE. Yes.

Mr. BRAND. The gentleman does not want to go on record as stating, does he, that the witnesses who testified before the House Committee on Banking and Currency stated that the revival of this corporation would not help the situation generally?

Mr. LUCE. Oh, no. Their judgment was that it might help the situation generally.

Mr. BRAND. I will ask the gentleman if all of them, except Secretary Houston, did not testify that it would help the situation all over the country?

Mr. LUCE. Without examining the record I could not affirm that my friend speaks with complete precision in that particular. They had different degrees of optimism in the matter.

Mr. BRAND. My recollection is that Secretary Houston was the only one who testified before our committee that it would not help the general situation all over the country.

Mr. HUSTED. Will the gentleman yield?

Mr. LUCE. Yes.

Mr. HUSTED. Was it made very clear before the committee that private funds were not available for the financing of any export trade that did not involve undue risk?

Mr. LUCE. It was not.

Mr. DEWALT. Will the gentleman from Massachusetts yield for a question?

Mr. LUCE. Yes.

Mr. DEWALT. Will it embarrass the gentleman at all in his address to the House to touch upon the consequence of inflation of credit and the inevitable future consequence of the rise of prices all along the line?

Mr. LUCE. It will not embarrass me at all. That is a part of my address to which I was approaching through the tortuous channels of interrogation. [Laughter.] I am informed on the best of authority that the utmost limit of inflation possible under this bill is \$2,500,000,000. Understand, I do not predict that this limit will be reached, but in facing legislation it is necessary to take into account the extreme possibility.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. LUCE. Yes.

Mr. CHINDBLOM. Is that ascertainable by some kind of calculation?

Mr. LUCE. It is.

Mr. CHINDBLOM. Will the gentleman state briefly how that is ascertainable?

Mr. LUCE. I am always doubtful of myself when I attempt to follow the intricacies of the Federal Reserve System, but as I understand it—and I hope gentlemen will forgive me if I find out I am wrong and change this in the Record—as I understand it, this corporation can loan up to \$1,000,000,000; that this \$1,000,000,000 issued in the shape of bonds or certificates, or whatever form it takes, and lent to exporters, can by them be taken to the banks and pledged as collateral for credit in the banks; that the banks can then take this \$1,000,000,000 of securities to the Federal reserve bank and rediscount them, in consequence of which rediscounting process Federal reserve notes are issued to the bank rediscounting the paper, and that then, built upon these Federal reserve notes, reissued, can be pyramided other credit of the same sort until a maximum expansion or inflation of \$2,500,000,000 is reached.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. WINGO. I want to suggest to the gentleman that in revising his remarks he had better look up the law. My impression is that that paper could not be rediscounted.

Mr. LUCE. I think it is in the law.

Mr. WINGO. I differ with the gentleman, but he may be correct.

Mr. STRONG of Kansas. Mr. Chairman, I yield five minutes to the gentleman from South Carolina [Mr. BYRNES].

Mr. BYRNES of South Carolina. Mr. Chairman, I take it for granted there is no question about the conditions existing in the agricultural sections of the country at this time necessitating some remedy. The gentleman from Massachusetts [Mr. LUCE], though opposed to the resolution, says that the condition is such that last week bankers met in Chicago in what he calls a most momentous meeting, to organize a bank under the Edge law to render assistance in the exportation of products. Europeans want our goods, but because of the exchange conditions are unable to pay cash and can purchase only if our exporters can grant long-term credits. This the exporters can not do unless they in turn can finance their bills, and they can not finance them except through the War Finance Corporation or such banks as are proposed at the Chicago meeting referred to.

If such banks were in existence to-day, or if it was possible to perfect such organizations in such short time as to cause them to immediately function, they could perform the service necessary to relieve the situation. But the two corporations now in process of organization under the Edge law can not hope to begin business for several months, while the War Finance Corporation is in existence and can function immediately. The gentleman from Massachusetts [Mr. LUCE] is enthusiastic in advocating the functioning of the Edge banks, but the business which he urges the business men of America to engage in he believes extremely hazardous for the War Finance Corporation to engage in. He intimates there is question as to the character of the security that is offered to American exporters. The testimony before the House and Senate committees is that ample security was secured during the period of its operation and can now be secured if the corporation resumes business. And then there is this material difference, that while the Edge law bank accepts the collateral of the foreign purchaser, backed usually by a syndicate of foreign banks and at times by the foreign governments, under the law the War Finance Corporation can lend only to persons or corporations doing business in this country, and it accepts only such loans as have been previously accepted by American exporters, and in addition requires in nearly every case that the paper of the exporter be underwritten by American bankers, and relies for its repayment upon the guaranty of American bankers.

In the minority report the opponents of the resolution state in one paragraph:

The seriousness of the risk has been shown by the hesitation of American financiers to take advantage of the Edge law and organize for the purpose of doing the very thing this resolution contemplates. Because private capital will not do the thing in any important degree we are asked to hazard the public capital.

And then they answer their own objection in another paragraph in this language:

Since the armistice it is estimated that private credit has been able to finance foreign lending through commercial channels to the huge extent of between three and four billion dollars. There is no proof that its resources are exhausted.

Now, as to the source from which the corporation will get its funds. It has to its credit on the books of the Treasury \$376,000,000. This is part of the capital of the corporation. The fact that the Secretary of the Treasury invested the capital in Treasury certificates does not change the fact that this is the capital of the corporation and is to its credit to-day. If the corporation resumes business it could demand this capital or issue its bonds. It is agreed by all that it should function as it did before, by issuing bonds. The corporation issued \$200,000,000 bonds at 5 per cent, and the entire issue was sold within five days notwithstanding the fact that on the second day a great press agency announced that the issue had been entirely subscribed on the previous day. The former managing director, Mr. Meyer, asserts that a similar issue of \$200,000,000 can be floated without difficulty. But opponents say if this is done it will interfere with the Treasury issues. Well, this morning's financial news advises us that the issue of Treasury certificates floated this week was on the first day oversubscribed to the extent of \$3,000,000, which would indicate that there is an investment market for such securities at this time.

But the gentleman from Massachusetts states that it would cause a great expansion of credits. Well, let me read the statement of Gov. Harding, of the Federal Reserve Board. He was asked by Mr. Meyer:

If the War Finance Corporation could assist in the exportation of \$250,000,000 or \$300,000,000 or \$500,000,000, say, of additional exports, whatever the exports may be, if that much more could be added, on a sound basis, and we had \$100,000,000 of obligations from sound concerns, some of them through new corporations to be formed, your idea is, taking the same ratio, four or five times that amount, that would liquidate \$2,500,000,000 of credit now frozen in this country.

Wouldn't that add the biggest thing you could do to relieve the whole situation in this country in the matter of credit strain? That is what I want to know.

Mr. HARDING. I think undoubtedly it would relieve the banks a good deal.

This is not a proposal to advance credit to enable persons to hold products. It is a proposal to advance credit in order to assist in selling our products. It will aid in providing a market for products for which there is now no market. It will enable the farmer to pay his bank and his bank to pay the regional reserve bank and thus reduce instead of expand credits. It will aid in the cancellation of debts and start the machinery of business. I hope the resolution will be adopted.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SUMMERS of Washington. Mr. Chairman, let no one be alarmed by the contention that this is class legislation. Let us consider not only the preamble but the exact language of the resolution. It reads as follows:

Joint resolution (S. J. Res. 212) directing the War Finance Corporation to take certain action for the relief of the present depression in the agricultural sections of the country, and for other purposes.

Whereas there exists in the agricultural sections of the country unprecedented and unparalleled distress on account of the inability of the farmers to dispose of the corn, wheat, cotton, wool, live stock, and other commodities now in marketable condition at prices that will pay the cost of production; and

Whereas the people of Europe are in dire need of the agricultural products now in possession of the farmers of this country, but are unable to purchase on account of existing financial conditions; and

Whereas, under an act of Congress, there was established the War Finance Corporation for the purpose of financing the exportation of American products to foreign markets; and

Whereas the activities of the War Finance Corporation were suspended in May, 1920, by an order of the Secretary of the Treasury; and

Whereas the banks of the country are unable to extend credit to the farmer in order that the farm products may be held until they can be sold in a fair and reasonable market: Therefore be it

Resolved, etc., That the Secretary of the Treasury and the members of the War Finance Corporation are hereby directed to revive the activities of the War Finance Corporation, and that said corporation be at once rehabilitated with the view of assisting in the financing of the exportation of agricultural and other products to foreign markets.

The activities of the War Finance Corporation during the few months that it was in operation show very clearly that it was not operated in behalf of any particular class of citizens. For instance, there was advanced to assist in the exportation of agricultural implements \$4,000,000; to assist in the exportation of condensed milk, \$5,000,000; in the exportation of cotton, \$9,322,117.27; of electrical equipment and supplies, \$10,796,537; grain, flour, and foodstuffs, \$12,229,000; and of locomotives, \$5,000,000. This makes a total of \$46,347,654.27, and out of that total approximately \$19,800,000 was advanced to assist in the export of manufactured products and \$26,500,000 was advanced for financing the exportation of agricultural products. That is practically the relation that manufactured products and agricultural products in this country bear to one another.

This is the revival of legislation in behalf of all of the industries of the country. Of the \$26,000,000 advanced in behalf of agricultural products, fully one-half is sooner or later going to find its way into the till of the manufacturer. Our farmers are suffering great financial losses, even bankruptcy, at this time, and justice demands that we do everything within the power of Congress to facilitate the marketing of their crops at reasonable prices and thus preserve their financial solvency.

I shall support this measure trusting it will bring some relief to the farmers of the State of Washington and the entire country.

Mr. GOULD. Mr. Chairman, I suggest the absence of a quorum.

The CHAIRMAN. The gentleman from New York makes the point of order that there is no quorum present. Evidently there is no quorum present. The Sergeant at Arms will notify absentees, the Doorkeeper will close the doors, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer for their names:

Anderson	Carew	Emerson	Green, Iowa
Andrews, Md.	Casey	Fairfield	Griest
Anthony	Christopherson	Ferris	Griffin
Babka	Clark, Fla.	Fields	Hadley
Bacharach	Copley	Fish	Hamill
Baer	Costello	Flood	Hamilton
Bell	Crago	Fordney	Hawley
Benson	Cullen	Freeman	Hays
Blackmon	Currie, Mich.	Fuller, Mass.	Hill
Boeber	Darrow	Gallagher	Holland
Bowers	Davey	Gallivan	Howard
Britten	Davis, Minn.	Gandy	Hull, Tenn.
Brooks, Pa.	Dent	Ganly	Hutchinson
Brown	Dickinson, Mo.	Godwin, N. C.	Igoe
Brumbaugh	Donovan	Goldfogle	Ireland
Burke	Dooley	Goodall	James, Mich.
Butler	Drewry	Goodwin, Ark.	James, Va.
Caldwell	Edmonds	Graham, Ill.	Johnson, Ky.
Candler	Ellsworth	Graham, Pa.	Johnston, N. Y.

Jones, Pa.	Mason	Radcliffe	Sears
Kahn	Mead	Rainey, Ala.	Sisson
Kendall	Moon	Rainey, H. T.	Sismp
Kennedy, R. I.	Mooney	Ransley	Small
Kless	Morin	Reed, N. Y.	Smith, N. Y.
King	Mott	Reed, W. Va.	Steele
Kitchin	Neely	Riddick	Stiness
Kreider	Nelson, Wis.	Riordan	Sullivan
Leshner	Newton, Minn.	Robinson, N. C.	Timberlake
Lonerger	Nicholls	Rodenberg	Treadway
Longworth	Nolan	Romjue	Voik
McArthur	O'Connell	Rouse	Wason
McCulloch	Oldfield	Rowan	Watson
McGlennon	Oliver	Rowe	Whaley
McKiniry	Olney	Ruby	White, Me.
McKinley	Paige	Sabath	Wilson, Ill.
McLane	Patterson	Sanders, Ind.	Wise
McLaughlin, Mich.	Pell	Sanders, La.	Wood, Ind.
Major	Perleman	Sanford	
Martin	Pou	Scully	

The committee rose; and the Speaker having resumed the chair, Mr. SNELL, Chairman of the Committee of the Whole House on the state of Union, reported that that committee, having under consideration Senate joint resolution 212, finding itself without a quorum, he had directed the roll to be called, that 277 Members responded to their names, a quorum, and he handed in the names of the absentees to be recorded in the Journal.

The committee resumed its session.

Mr. STRONG of Kansas. Mr. Chairman, I yield five minutes to the gentleman from Illinois [Mr. MANN].

Mr. MANN of Illinois. Mr. Chairman, this matter presents itself to me somewhat like this: We have the goods, the people in Europe have the want. They desire our goods, but they can only purchase them by payment in cash, by credit, or by exchange. They can not pay the cash. They can not give us in exchange sufficient in the way of goods to enable them to purchase the produce which we desire to sell to them. They can obtain from us the goods which we wish to sell and which they wish to buy only on credit, but the individuals in our country or the corporations seeking to make the sales to Europe can not themselves carry credit lines sufficient to enable them to proceed with sales without taking all of their ready cash. The only way in which they can furnish sufficient credit to the people in Europe to make the purchase from us is by having the investing public in America take up these lines of credit and carry them. If the War Finance Board can loan money to the people making the exports to Europe and then in turn issue their bonds and the American investing public will purchase those bonds, that credit is furnished.

I know of no other way to furnish the credit unless it be by large corporations organized by the investing public in America. If such corporations are organized and succeed they would relieve to the extent they were successful any demand or drain upon the Finance Corporation. I am one of those who believe as far as practicable the Government ought to stop standing in the way of the operation of the law of supply and demand, but I appreciate that in the present conditions in the world it is impossible to furnish the credit that is necessary in order for us to sell goods to those who need and want them without some aid from the Government. While I do not know how effective it will be, because it depends in the end upon the willingness of the investing public in America to loan its money or credit in Europe, I hope it may be successful. I do not see how it can do harm and I see how it can be of great benefit. [Applause.]

Mr. PHELAN. Mr. Chairman, I yield five minutes to the gentleman from New York [Mr. GOULD].

Mr. GOULD. Mr. Chairman and gentlemen of the committee, I have not in the few years I have been here taken up very much time on the floor of this House, but to-day in listening to the debate it occurs to me that many Members of the House do not seem to comprehend, and certainly I have not heard it very clearly explained, the manner in which the average export business and credit is handled. The export bills which may be issued by the banks for any food products that are sold by the producer or the produce buyer go, of course, to the bank, and as I understand by our present banking system eventually lodge in the Federal Reserve System. If we are going to sell our products to Europe, as the gentleman from Illinois said a few minutes ago, there are just three methods by which the produce which we have to sell can be paid for—by cash, credit, or exchange of goods. Business men and bankers with whom I have talked within the last few months seem to feel that the future of the country and of business—and that affects everyone from the producer of crops down to the ultimate consumer—can best be served by getting back to the policy of having our regular channels restored, and of going back, to use an expression that we heard in the recent campaign, to "normal." But so far as the War Finance Corporation is concerned I would like to ask the committee as to the nature of the securities which have been

given to the War Finance Corporation in connection with the loans which they have made during the war and as to whether or not this committee of the House and the Treasury Department are satisfied that the loans made and the securities given are as good as a Government corporation should expect. I notice here in the report of the committee that we have sold fabricated steel to Italy; we have sold cotton to Czechoslovakia, cotton to Italy, coal to Italy, and so forth; and I do not know whether the committee cares to go on record as answering the question. My motive for it is this: Why not have the future export business handled by and along regular channels through the relation of bankers—our bankers have bank connections in Europe—and let the security be examined, and let our whole program of foreign finance be handled by those who are in contact with conditions. What is the sense in continuing a policy which, and I raise the question, may or may not be satisfactory? [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. PHELAN. Mr. Chairman, there is only one speech on this side. I will use my time or the gentleman can use his time as he pleases. How much time have I remaining?

The CHAIRMAN. The gentleman is recognized for 25 minutes.

Mr. PHELAN. Mr. Chairman, this is not a question on which there are not two sides. There is a very reasonable, or at least plausible, argument, I think, for the resolution, and I think a very sound argument against the resolution. The gentleman from Illinois [Mr. MANN] very briefly stated the argument in favor of some kind of method of financing our exports. The bill in its essence is this: It provides a means whereby money or credit can be raised—we will call it money—money can be raised from the American people and, directly or indirectly, however you may care to term it, loaned to people in foreign countries, so that those people in foreign countries may buy American products. That is the whole essence of the resolution.

The advocates of the resolution feel—and there is reason for them to feel—that this process will result something like this: That the money will come from the American investor to the War Finance Corporation, be loaned by the War Finance Corporation to banks or to exporters, and by the exporters, through some process, loaned to the foreigner; that the foreigner, through the credit obtained in that way, will buy the goods of the American—cotton, wheat, and other exported commodities—and in that way trade will be resumed in this country; that the cotton owner will dispose of at least part of his present crop, and so with the wheat man and others having commodities to sell; that, once a movement in these commodities starts, business will be resumed and the whole country will be benefited.

I think that is a fair statement of the argument for the resolution, and, so far as that goes, I think I would not take issue with the statement that the thing can possibly be done and done properly.

If I were to take any other position I should take a position in direct contradiction to the position I took upon this floor when I argued for the passage of what we termed the Edge bill. There is law on the books to-day and there has been law on the books for a full year whereby this very thing could be done. Practically nothing has been done, however. I am opposed to this resolution for several reasons. I am opposed to it, first of all, because I think it is time the Government got out of the banking business. I think it is time that we stopped these artificial props of which we had so many during the war, of which we have had some since the war, and which have inevitably led to the signs of trouble and possible disaster that we see confronting us to-day. If we had followed economic laws in larger degree during and subsequent to the war, the country would not be in the bad condition it is to-day. Whenever anybody got into trouble or saw any trouble facing him immediately he ran to the Government and asked for some legislation or help whereby he could tide over his difficulties. And as a result, through all these artificial processes, through this failure to live up to economic principles, we are in trouble.

Now, my belief is that the sooner we face things as they are and the sooner we resort to sound economic principles the sooner we will return to normal ways of doing things and the sooner the country will get back on its feet and start from a sound foundation.

To illustrate how various interests appeal to the Government, the sheep growers came before our committee the other day. They did not advocate this particular resolution, but they said it would help them indirectly. This is the condition of the wool-grower: The price of his product has dropped amazingly. The bottom has dropped out of the market. We have had importations of sheep and the products of sheep and of wool from foreign countries, so that to-day there is no market in this country

for those products. How is the woolgrower going to be helped by this or any other financial legislation until the price of his product goes up? It is no secret. Everybody here knows that in many of our commodities some of the banks, at least—I will be moderate and not be an alarmist—some of the banks have loaned on commodities more than those commodities will bring on the market to-day. What are we going to do? Are we going to loan more and more on commodities already pledged on loans exceeding their market value? Anybody can see the fallacy of that. And when I put the question to every single one of the men representing the sheep industry who testified before us they replied, "Legislation of this kind, financial legislation of any kind, is of no use to us unless we can raise the price of our product; and that we can do only by embargo and subsequently a protective tariff." Are we going to help them by this resolution? It is evident that we will not help them by this kind of a resolution. We may help the cotton men; we may help the wheat men. We may do that if people will start Edge corporations and buy the bonds. That is the natural way.

Let me point out why people want this kind of legislation and do not want to wait for Edge corporations. In the first place, the Government is behind this proposition. No matter what anybody says, the Government is guaranteeing these bonds, in effect, to the extent of 50 per cent of their possible issue. Under the law, if this is passed, the War Finance Corporation can issue a billion dollars of bonds. The Government is obligated to the amount of \$500,000,000 of stock. If, therefore, the bonds for any reason do not prove worth their face value, the owners of those bonds can come back on the Government to the extent of \$500,000,000. Somebody will say to-day there is no danger of that, because this corporation will take good security. I want to ask some of you men from the cotton districts and some of you men from the wheat districts what some of your banks have done as to the extent of loans upon commodities during the past year or two years; what some of your eminent bankers have done; how far they are overextended on commodity loans? You are not telling us that the men who are running those institutions and who have been looked upon as men of good judgment are now carrying heavier loads than they should carry. I do not say that in criticism of those men. Quite the contrary.

Mr. YOUNG of Texas. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Massachusetts yield to the gentleman from Texas?

Mr. PHELAN. No; I can not yield.

Mr. YOUNG of Texas. I thought you asked a question. Will you not let me answer it?

Mr. PHELAN. I wanted to point out that men who heretofore have been considered men of good judgment, and men of good judgment to-day, have mistaken this whole general situation and have become involved to a greater extent than they ever should have become involved. The same situation arises with respect to this War Finance Corporation act. Who can say what securities Europe shall have to offer us? There is nobody that I know of who is authorized to speak for those countries. Who will tell us of the sound securities they have? They had at Brussels a conference recently, and one of the great troubles and difficulties and perplexities they had was to find the kind of securities upon which they could get credit from anybody in the world. Take any country you wish in central Europe—I will not mention the names of any—that are at present involved. Do you gentlemen here want to take securities from those countries, or the people of those countries, when the very stability of their Governments is uncertain, when you do not know what is going to happen to those countries politically?

Yet, what does this proposition involve? We go to the American people and we say to the American people, "We want your money to loan to people in Poland; we want your money to loan to people in Czechoslovakia; and we want it to loan to France and Italy, and all of those countries, so that they can buy American products."

Everybody knows that that will not be said with reference to the War Finance Corporation bonds. Everybody knows that this will be the process: Let us take two cases. I am a bond salesman, and I go up to you and I say, "Here, I represent an Edge corporation. I have some bonds to sell. We have a capital of so much. We invest in foreign securities, as we are doing an export trade or helping the export trade. We issue bonds. Back of those bonds is our capital and surplus, and back of those bonds are securities of foreign countries, perhaps of traction companies, manufactories, mills, or what not; but those are the securities behind the bonds we want to sell you. Will you buy those bonds? It is very important that you and

other investors shall buy those bonds, so that they can buy our products."

Think what the average American is likely to say. He may say to me, "Let us see. There is a great deal of trouble over there. What do I know about those countries? I guess I had better hold back a while and see what is going to develop."

Now, suppose, in the other case, I am a salesman trying to sell War Finance Corporation bonds, and I bring in those War Finance Corporation bonds to you. What do I say to you? Do I tell you that story? It is the same story in effect; the purpose is the same. But, no; I say, "Here is the War Finance Corporation bond. In the first place, this War Finance Corporation can not issue more than \$1,000,000,000. The United States Government is behind it to the extent of \$500,000,000. There is 50 per cent."

A Member of Congress, reflecting, as I think, the view of other Members before our committee, stated that the Government would have a moral obligation to the full extent of that bond issue, because the Government would never let the holder of a War Finance Corporation bond lose anything on his investment. The Secretary of the Treasury, standing before our committee, said the same thing, so that I might add, as an argument, the Government has a moral obligation. I can say, "You will never lose anything by it." I will say to you, "Here is a good bond, practically a United States bond. Will you buy it?"

You as an investor might well say, "Yes; I will buy that; I will be glad to buy that." The argument suggested can be used two ways. It might be urged that we can raise money, perhaps, this way when we can not do it the other way. On the other hand, when I am helping to pass legislation, I would like to have the people of the country know what they are doing if they act as a result of our legislation. If they are entering into a big policy of great consequence they should know it, and I say to you that when you sell the War Finance Corporation bonds the people will not know what the policy behind it is.

When you sell them Edge corporation bonds they will know what the purpose is. If they want to encourage that kind of policy they can buy the Edge corporation bonds, but they are not engaging in any policy knowingly and consciously relative to foreign financing when they buy the War Finance Corporation bonds.

I am opposed to the resolution for that reason. I think when we enter into that kind of policy, the people of the country ought to know the policy in which we are engaging when they invest money. Some of the Members from the farming districts were opposing the Edge corporation bill because they did not want to see American money, when needed at home, used in building up foreign manufactures and foreign industries.

Frankly I am not in entire sympathy with their point of view; but that was their point of view, and the people of the country have a right to know what this policy back of the War Finance Corporation is, and they will not know it if we have this War Finance Corporation, because they will think that these are Government bonds.

Mr. McFADDEN. Are these Edge corporation bonds to be tax exempt?

Mr. PHELAN. No. I was coming to that. Now, the Government is behind these bonds. In addition, they are to be on practically the same basis, so far as tax exemptions are concerned, as Victory notes. I am opposed again to repeated tax exemptions. Somebody may say to me, "Why did you vote for the farm loan act?" I voted for it because I could not have everything I wanted in that act; but I always was opposed to the tax-exemption feature, so far as the national income-tax law was concerned, of farm loan bonds.

Where are we going to stop? Last night I picked up the Washington Times and I saw on one page, boxed in a prominent place, the statement that a movement was on foot to bring about legislation whereby the bonds of the so-called Edge corporation should be tax exempt from the Federal income tax, the argument being used that we ought to encourage our people to put the money in these channels to help the foreigner to buy American goods.

We all know that there has been considerable agitation in this country for the Government to issue tax-exempt securities to enable people to build homes. Your Committee on Ways and Means is trying every possible way it can to raise money, and here the Congress of the United States is making provision for the output of a possible \$1,000,000,000 of tax-exempt, or at least in some degree tax-exempt, war finance bonds.

Where is the thing going to stop? If we keep on, everybody has a good argument to float tax-exempt securities for one or another purpose. Now, the gentleman from Illinois [Mr. MANN] very aptly said—and I do not disagree with him—that

there are people in Europe who want to buy but who have not the means. This furnishes the means.

I come from a city of practically 100,000 people. There are people walking the streets of that city who want to buy things. So it is in all our large cities. They want to buy coal and food and clothing, but they can not buy any of those things because they are loafing, out of employment. Now, why not have the Government lend them money? They are good, honest people. They are hard-working people. Why not have the Government loan them money so that they can get through this winter? Is that a wild proposition?

What security have they to offer? They have the security that honest people have, that they will pay back, that they have sound bodies, that they have honest purposes. Oh, no; you can not lend on those things, it is urged. How do you know that you have any better security over in Europe?

I am opposed to this resolution for another reason, which that suggests to my mind, that before we empower the Government to embark on this kind of a proposition there ought to be some satisfactory evidence presented by experts, by somebody who knows, before a committee of this House, as to what the conditions are in Europe, and as to what is their power and ability to pay, now or at any other time.

This resolution provides for the issuance of bonds, from one year to five years. Suppose we issue one-year bonds. Mr. Meyer suggested that they would probably issue a great many one-year bonds. He suggested that as an answer to my objection about the tax exemption, saying that they would not last very long, because a great many of these bonds would be one-year bonds. Does anybody think the people of Europe who get credit are going to pay a large sum of this money in one year? Anybody who knows the situation knows that they can not do it. The Government has loaned already between nine and ten million dollars, money raised from the people of this country. Now, this proposition, to be sure, does not provide for the loaning of money to foreign Governments, directly by the Government, but it does provide for what is similar, for loaning the money of our people to European people at some place, somewhere, on the security of the bonds that in many respects are similar to, if not indeed essentially, Government bonds.

That may be all right; but I say that before we embark on the proposition we ought to know what the class of securities are and what they can give us and whether they can ever pay back the loan under this bill. No evidence has been presented in regard to it, and when we asked for time the advocates of the resolution said we were trying to block the resolution. The first meeting of the committee after Congress convened was last Tuesday morning. They asked that the resolution be taken up, and there was no objection to it, but when we asked that we might hear the bankers and some of the importers they said that we were trying to block the legislation.

Now, I do not want to block legislation; I want to see all good legislation pass. But I say the House ought not to pass this legislation. The point I am making is that you ought not to be misled by the simple statement of what is desired by this law. It is all right to use American money to buy American products for use in a proper way, but I do not think it is right for us to keep the Government in the banking business.

I will agree that many of the things the proponents say are true, but I do want to see us return to the old economic conditions where the economic rule worked well.

Mr. SUMNERS of Texas. Will the gentleman yield?

Mr. PHELAN. Yes.

Mr. SUMNERS of Texas. When we passed the act there were not the same activities. Does not that suggest to the gentleman that we ought to try his plan?

Mr. PHELAN. It suggests to the gentleman that if there was need of it, and the enterprise of the American people and the funds of the American people were ready to go into the business, we would have the Edge corporation before this. We have had the law on the statute books a year. Where were the growers of cotton, the growers of wheat? Why did not somebody initiate and start the proposition? The thing they are afraid of is that the American people will not embark on the enterprise, and so they want the Government to hold the bag. Advocates of this resolution state that the Edge corporations have not been formed because the War Finance Corporation was not functioning; they would have been started if it had been functioning. Why do they take that position? Because they are afraid the people will not buy the Edge corporation bonds, but they will buy what they think are Government bonds. Once the War Finance Corporation gets the money, the incorporators of the Edge corporation think they can get it from the War Finance Corporation.

I have no objection to the exporters of wheat or the exporters of cotton or anything else getting all reasonable help, but I do

object to having everybody, when he gets into trouble, come to the Government and say, "Here, you carry the load." No matter what anybody says, when the Government gets behind a proposition like this, when it gives up its credit to the extent of \$500,000,000, it is so much more of a strain on the credit of the Nation.

Mr. SUMNERS of Texas. The Edge law was not designed for the exporters, but for the service of the public. If that does not function, does not the gentleman think we ought to try something else?

Mr. PHELAN. I think we ought to stop coming to the Government every time we get into trouble. If you can not follow the economic channels, if you can not promote foreign trade, if you can not build up a corporation to do the things that ought to be done under the natural economic forces, it is the best evidence that if you try to apply artificial pressure you are flying in the face of the economic laws and bound to fail.

I am opposed to the resolution because I think the Government should get out of the business of conducting foreign trade or export financing, because we should stop now further extension of tax-exempt securities, because we should cease the use of expedients and artificial supports to meet an essentially unsound condition, because we should get back to normal and natural methods and proceed in accordance with sound economic principles, because the Government is already charged with sufficient burden of indebtedness, and this burden, whether actual or contingent, should not be added, because if at any time the War Finance Corporation bonds should be carried by the banks or forced upon the banks we should have further inflation and further subsequent disaster, because, as other branches of commerce and trade are likewise in distress, they have an equal right to receive Government aid and this legislation is discriminatory, because it is hopeless for the Government to put its credit behind all who need credit, and because once the Government embarks again upon this business no one can predict to what extent the Government may become involved nor for what period of time, and the War Finance Corporation may become a fixture for years to come.

The country has paid enormously for its defiance of economic laws. Let us once more act in accord with these laws and avoid further inevitable troubles. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. STRONG of Kansas. Mr. Chairman, I yield three minutes to the gentleman from Iowa [Mr. TOWNER].

Mr. TOWNER. Mr. Chairman, there are a few objections to this resolution which merit consideration. One is that it will not accomplish what is expected of it. The other is that we will be in danger of giving credits to European peoples that will not be secured, and therefore the Government will meet with loss. I do not think that either argument is justified. Gentlemen seem to think that this is only a measure for the benefit of a certain class of people. I hardly think that it is proper or consistent to take that proposition as true. It is not for the purpose of assisting any particular class of people; it is really for the purpose of relieving the stagnation of business in this country. If the primary products of the country, upon which all of the industry of the country rests, upon which all of the commercial interests of the country rest, can be marketed or exported, it means that the whole business of the country will be stimulated and will get into activity. It is not primarily, or principally, even, for the benefit of those who are the producers of the primary products. It is because, unless we can have a market for the primary products of the country, all of the industry of the country will remain stagnated.

I believe also that there is no, or, at least, very little, foundation for the argument that these credits will be extended to peoples or to institutions in foreign countries that are not solvent. It should be remembered that the War Finance Corporation does not loan to the manufacturers in foreign countries; it does not loan even to foreign countries themselves. The banks and the exporters are the people to whom we, the Government of the United States, extend credit. Certainly we know and will know, the Government will know, the War Finance Corporation will know, to whom to make these loans. They will know whether they are solvent or not, and no credits will be extended except to solvent banks and to solvent exporting corporations or individuals. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. STRONG of Kansas. Mr. Chairman, I yield five minutes to the gentleman from Iowa [Mr. HAUGEN].

The CHAIRMAN. The gentleman from Iowa is recognized for five minutes.

Mr. HAUGEN. Mr. Chairman, the gentleman from Massachusetts [Mr. PHELAN] has suggested delay. He says we

should have more information before taking action. The gentleman has enlightened the House. He has told us of the thousands of people unemployed and walking the streets in his own city. What is true of his city is true. I believe, pretty much all over the country, and I believe it fair to say that millions of people are out of employment. Another sad situation so far as the farmer is concerned is that the price paid to the producers of farm products has been cut in two, and the price charged to the consumer has enhanced 19 per cent in the last year. For instance, coal is selling in my district at \$20 a ton, and corn is selling at less than \$8 a ton. The price on the lower quality of live stock is so low that it is selling in Chicago for scarcely enough to pay yardage, feed bill, commission, and transportation charges. Money is scarce and hard to get at any price, with the prevailing condition known to all. It seems unnecessary to discuss that, nor does there seem to be any question but that something should be done to meet the emergency. Clearly, what is required, what is desired at this time, is some legislation that will give relief, for immediate relief should be granted.

If the proposed resolution will give the deserved and desired relief, which I believe it will, it should pass immediately. The resolution, if amended as is proposed by the committee, can do no harm. Nor is it, as contended, class legislation; nor does it interfere with the Federal Reserve Bank System. It simply provides:

That the Secretary of the Treasury and the members of the War Finance Corporation are hereby directed to revive the activities of the War Finance Corporation, and that said corporation be at once rehabilitated with the view of assisting in the financing of the exportation of agricultural and other products to foreign markets.

It includes every commodity. Even if limited to agriculture, as has been suggested, with our interests in common, its benefits would extend to every activity. We go up and down together; with business lagging on the farm we have dull times in the cities. So if the proposed legislation will help agriculture, it will also help commerce and labor.

I believe the resolution here proposed will to some extent grant relief, and inasmuch as immediate relief is desired, why not vote and dispose of the matter with a view to giving the relief at the earliest possible moment? [Applause.]

Mr. STRONG of Kansas. Mr. Chairman, has the gentleman from Massachusetts [Mr. PHELAN] used all of his time?

The CHAIRMAN. He has used all of his time.

Mr. STRONG of Kansas. I yield the remainder of my time to the gentleman from Wyoming [Mr. MONDELL].

The CHAIRMAN. The gentleman from Kansas yields eight minutes to the gentleman from Wyoming.

Mr. MONDELL. Mr. Chairman, I think that we all regret that we have not reached a condition following the war in which business either at home or abroad has been restored to anything like normal. I think that all of us regretted during the war, and regret even more now, the necessity of invoking unusual governmental agencies in connection with trade and business. No one will be happier than I when the time comes when the Government may properly keep out of the banking business, so far as undertakings like this of the War Finance Corporation, now under consideration, are concerned, and out of the management and control of business in every manner and form.

"It is a condition and not a theory that confronts us." A large part of the world is well-nigh bankrupt. Following the war, and in the last few months particularly, the decrease in the price of great basic products which should be gradual, in order to be healthy, has become disastrous; the bottom seemed suddenly to go out of the market, and very largely because the channels of trade were clogged, because private enterprise and private financial institutions were not able to furnish the credit necessary to keep trade moving. That is the situation.

What can we do about it? I am not altogether certain that the passage of the resolution before us and the revival of the activities of this corporation will greatly help the situation, but it will have a helpful effect; it will not, in my opinion, under any circumstances have a harmful effect. So far as it may be possible to operate under the War Finance Corporation, the business of the world will be quickened, exports of America will be enlarged, and the credit situation will be relieved. While we may not accomplish all that some hope for by the passage of this resolution, we can at least help the situation and improve conditions, and without danger of harm. It is our duty, therefore, under the circumstances to suggest, recommend, and advise that this agency of the Government, intended to aid in the export of American products, and thus aid in the restoration of better trade conditions, shall be again put into operation for the benefit of the country generally. [Applause.]

The CHAIRMAN. The time of the gentleman from Wyoming has expired. All time has expired. The Clerk will report the bill for amendment.

The Clerk read as follows:

SEC. 2. That it is the opinion of the Congress that the Federal Reserve Board should take such action as may be necessary to permit the member banks of the Federal Reserve System to grant liberal extensions of credit to the farmers of the country upon the security of the agricultural products now held by them, by permitting the rediscounting of such notes of extension at a fair and reasonable rate of interest.

With a committee amendment as follows:

Strike out all of section 2.

Mr. McKEOWN rose.

Mr. MADDEN. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Illinois moves to strike out the last word.

Mr. MADDEN. Mr. Chairman and gentlemen of the committee, the Government of the United States owes \$25,000,000,000. The annual interest charge on that sum, including the sinking fund, amounts to \$1,250,000,000 a year.

We have loaned the Governments of Europe \$10,000,000,000, and they have not paid a dollar of interest. Nobody knows when they will.

The business people of the United States have shipped goods abroad for which they have taken the paper of European purchasers to the amount of \$12,000,000,000, that is already discounted in American banks, and that is not being paid when it becomes due. And now we propose, in effect, through the Government of the United States—for that is what it means—to advance another billion dollars, to lay another charge upon the backs of the American people for that amount. I understand that next week a proposition is to be presented to the House to loan Germany a billion dollars to buy goods in America.

What you do by the passage of this resolution is to take the money out of the Treasury of the United States in effect and pay Europeans for goods purchased in America, and then come back to the American people who have shipped the goods, and others of the American people, and ask them to buy the paper, so that when they ship their goods and receive the pay they will be compelled, in order to sustain this institution, to buy the paper that has been issued as a result of the sale of the goods.

The time has come when we must stop this artificial stabilization and let nature take its course. If you are going to do this for the farmer and the cotton grower, what are you going to do with the men whose wages all over the country have been reduced about 22½ per cent? I do not see any reduction coming in the prices they are compelled to pay for what they have to buy. Are you trying to reduce the cost of living to-day while they are idle? Oh, no. You are trying to stabilize prices, and that will compel them to pay the high prices that now obtain. But you are not guaranteeing them any employment, not at all. Factories are closing right and left. Why are they closing? The values of the commodities of the factories of the country have fallen. Nobody knows what their value is. The people who own these factories are seeking no legislation, are they? They are willing to permit the economic conditions to control. You are undertaking artificially to stabilize and keep prices up when everybody in the United States wants prices to come down. They are coming down, whatever you do. This legislation is not going to help the situation at all except to the extent that it adds new obligations on the Treasury of the United States, and thereby adds to the necessity of increasing the taxation on the backs of the American people. [Applause.]

Mr. ALMON. Mr. Chairman, the purpose of the first section of this resolution is to direct the Secretary of the Treasury and the members of the War Finance Corporation to revive the activities of the War Finance Corporation with the view of assisting in the financing of the exportation of agricultural products to foreign markets.

The second section is to have the Federal Reserve Board encourage the member banks of the Federal Reserve System to grant liberal extension of credit to the farmers upon the security of agricultural products at the lowest possible rate of interest.

It passed the Senate with both of these sections incorporated. I introduced a similar resolution early in the session which was referred to the Banking and Currency Committee. That committee failed to take action until after the Senate had passed this resolution. They then reported with the recommendation that section 2 be eliminated. I am heartily in favor of the resolution as it passed the Senate.

I realize that the Federal Reserve Board has no authority to grant loans, or dictate to member banks as to what they shall accept as credit, but a mere expression of approval by the Federal Reserve Board that a liberal extension of credit to farmers upon the security of agricultural products at the lowest possible rate of interest would have a good moral effect.

The discussion to-day has been confined almost exclusively to the importance of arranging for foreign credit. I agree that this is all important, but at the same time we should undertake to improve our home market, and one way of doing this is by voting down the amendment proposed by the committee to strike out section 2 of the resolution.

The condition of the country is critical. The fall in the price of farm products in the last two months means a loss to the farmers of more than \$6,000,000,000. Agriculture is the foundation of our wealth and prosperity and hence our largest business. It cost the farmers more by far to make this crop than ever before on account of the high price paid for labor and the very unusual high cost of supplies. In many sections of the country the crops were not good. The cotton crop was far below the average in many parts of the South. However, if the cotton growers could have gotten something like 35 cents a pound for this crop, as they expected, they could have paid their debts and been in a position to make a crop next year. Now the price of cotton is 10 or 12 cents a pound, less than one-third the cost of production.

This is not due to overproduction, but for the want of a market. Sixty-five per cent of our cotton is exported in normal times. We have about 13,000,000 bales, with a home market for 6,000,000, and must depend upon a foreign market for the balance of 7,000,000. There is the usual demand for our cotton and other agricultural products in the foreign markets, but they can purchase it only by payment in cash, by credit, or by exchange. On account of the conditions as the result of the war they can not pay cash. They have not the goods to sell us to enable them to buy what we have to sell, so that we can not secure it by exchange in trade. So if they buy, they must buy on credit.

The purpose of this measure is to provide methods for taking up their credit and encouraging it.

The War Finance Corporation was created during the war, and could at first only help finance enterprises or individuals engaged in purchasing war supplies for the Government or banks that were aiding such institutions, and served a most useful purpose during the war.

Congress amended the act creating the War Finance Corporation in March, 1919, so as to enable it to aid in extending our exports, and provided for the continuation of this work for one year after the declaration of peace. It rendered a most useful service in reestablishing trade relations and foreign markets which were destroyed by the war.

The condition of our country is such that it was never more important for a full and active operation of the War Finance Corporation than now. While it may not accomplish as much as some of us hope for, nor as much as it would had it been reestablished earlier, still I believe that it will do much good. We are facing a very grave situation, caused by the very sudden fall in the price of farm products, and I am in favor of doing all that can be done to immediately relieve the situation.

I believe the resumption of the activities of the War Finance Corporation would encourage the immediate formation of export corporations and very materially aid and encourage the banking corporations organized to aid in financing foreign securities.

The psychological effect would be marvelous in addition to the actual financial assistance rendered.

I trust that this measure will pass the House to-day and that it will become a law at the earliest date possible, with the confident hope that it will furnish much relief to the farmers who are in such great distress by reason of the sudden fall in the price of their products. [Applause.]

Mr. McKEOWN. Mr. Chairman, the question as to the financial situation of this Nation at this time is one the business men of the Nation are not agreed upon. It is one on which the business world is at sea. They do not understand what is taking place now on the eve of the new year. The retailer of this country to-day is striving to hold on to save himself from the wreck that may come upon him in the reduction of prices of the products on his shelves.

The prices of products of the farmer have gone down so low in the last two months that he can not tell what to do. He is abandoning his crops. In my country they are leaving cotton unpicked in the fields because of the low price and of the cost of labor.

So the situation is a critical one, but I dare say you will not get much benefit from this legislation unless it is carried out in the spirit that Congress passes it. If the men in charge of this War Finance Corporation sit down and exact compliance with such rules as to absolutely make negligible the purpose of Congress, then we will reap no benefit from it. The situation is not so much different from what it was in 1907, except that there is now plenty of money in the country, but the same situation faces the business men as in 1907.

Here is the thing that is the tragedy of the whole situation: Over in the countries of Europe, where they need the products of this country, the men who manufacture these products into goods to put on the market find themselves in this situation—that they must buy from hand to mouth the raw products that are placed in the warehouses at high prices, and they can not manufacture goods out of them in competition with countries that are able to buy the raw products that are now going on the markets at such greatly reduced prices. So the low price of raw products in this country is ruining the market for raw products in the old countries, because it is putting out of business the manufacturers who buy the raw products.

Now, my friends, I want to call attention to this fact: That it is true that the United States Government ought not to go into the paternalism business, but at the same time we have given to the railroads by the millions in order to help them carry on transportation. When they came to Congress we readily granted them every request, and we turned over to the Interstate Commerce Commission full authority to lend them whatever money they needed. And yet when the farmers, the men who produce the things that we must live on, come to the Congress we hesitate in extending them financial relief. The whole industry of this country is slacking. Men are daily walking about the streets hunting for employment. I want to see things get back to normal, where crops will be moving and factories humming with the music of contented labor. [Applause.] I have some doubts if that state of industrial rehabilitation so much desired will be "normalcy."

It is as difficult a task to impress upon the Congress as it is to impress the financial interests of the country not directly connected with farming with the conditions in which the farmers of the country find themselves. Financial interests far removed from the farming districts do not comprehend and are slow to be convinced of the dire effect of the price breakdown to the farmers. If the farmers of the Nation should break down at planting time, like the railroad transportation broke down during the war, then there would be no difficulty in convincing the teeming thousands who live in the cities as to the importance of the farming industry, and they could then realize that it is a truthful statement that farming is our most important industry.

When the railroads broke down we immediately went to their relief to the tune of over a billion dollars, and, although the war is over, we are advancing them all the money they need and have raised their rates to the sky without in any way taking care of the rates on cattle and farm products. You have turned the people over to the railroads, and the farmer is paying his part of the freights. You have the same old story of peaches rotting in the orchards of Michigan while just across the lake they were selling from \$4 to \$6 per bushel, and wheat rotting while the world goes hungry. These conditions hurt the farmer worse than other industries, because he could not get one crop out of the way before the harvest time of the next, and his business has been one of continued congestion.

This Congress guaranteed the rates to insure reasonable returns on the money invested in railroads; but now the same Congress is not hurrying to help the farmers, while many able men in the Congress even oppose the passage of this resolution.

Finances have broken down in the sudden contraction of the currency. It is destroying the cotton farmer and threatening to wipe out the entire cattle industry. The interest rates are so high that it kills all legitimate business and breeds speculation. We financed the war, but since the armistice speculation has run wild, and the American people, from the highest to the lowest, plunged into a riot of extravagance the like of which has never been witnessed before in this country.

Men of moderate means are not satisfied with one automobile for the family, but insist on having one for each adult in the family. Liberty bonds and war-savings stamps that were bought during the war were hastily thrown on the market to be spent for some passing pleasure. Workers on small salaries bought the most costly clothing on the instalment plan, and goods that were offered at a reasonable price found no purchasers. The profiteer reigned from Maine to California, and on farming machinery he was at his best.

One of the troubles with our financial situation is the fact that we have so much of our capital in the hands of speculators. This reign of extravagance created an abnormal desire for unaccustomed luxuries, short hours of work, and as little work as possible to get by, with no care as to what happened to the Nation.

When the public began to get back to common sense and get their feet on the ground, instead of turning to hard work, thrift, and saving, the hue was immediately raised against the farmer as being the profiteer when, as a matter of fact, he could not profiteer if he wanted to, for the simple reason that

he does not and can not fix the prices on his commodities. Whatever profiteering there has been on food has been done since it left the farmer's hands. It would appear that the people of the cities thought that if they could break the prices of farm products, then all their troubles would be over, but I warn you now that such a course leads to more difficulties in the future.

It is my judgment that the revival of the War Finance Corporation will not bring the relief that many of its champions expect. The solution of the marketing difficulty can only be solved when it is solved permanently, and for that purpose I have introduced H. R. 14906, which is as follows:

A bill (H. R. 14906) to establish cattle and farm products banks, in connection with the Federal farm loan banks, and for other purposes.

Be it enacted, etc., That corporations known as joint stock cattle and products banks for carrying on the business of lending on cattle and agricultural products securities and issuing loan certificates of indebtedness may be formed by any number of natural persons not less than five. They shall be authorized to act under license issued by the Federal Farm Loan Board and shall not be authorized to do business until the capital stock to the amount of at least \$50,000 has been subscribed and one-half thereof paid in cash, and shall not be permitted to issue certificates of indebtedness until its capital is fully paid.

SEC. 2. That each cattle and products bank organized under this act shall have authority to issue its certificates of indebtedness secured by warehouse receipts or first mortgages on agricultural products or cattle, as the case may be, taken by said bank in conformity with this act.

SEC. 3. That the applications for permission to issue certificates of indebtedness shall be made in writing to the said farm loan board through such agency as the said board shall prescribe, and said banks shall furnish full detailed information relative to the securities offered and such other information as shall be requested by the said board. The approval or rejection of the application for permission to issue certificates of indebtedness shall be in writing, and in all cases of rejection the reason for such action shall be set out and an appeal will lie from the decision of the board to the Secretary of the Treasury upon an adverse ruling.

SEC. 4. That said cattle and products banks shall make no loans upon agricultural products which are not stored in a warehouse licensed under the United States warehouse act and secured by warehouse receipts or first mortgage upon such agricultural products.

SEC. 5. That no loan shall be made upon agricultural products for a longer period than 12 months, and no loan shall be made upon cattle unless the same shall be secured by first mortgage upon the cattle offered for security, and for a period of not more than two years.

SEC. 6. That no loans shall exceed 60 per cent of the value of any agricultural products or cattle offered as security for such loan at the time said loan is consummated.

SEC. 7. That said cattle and products banks organized under this act shall in no case demand or receive under any form or pretense, interest, commission, or charges in excess of 2 per cent more than the interest rate provided for the last series of the cattle and products certificates issued by the said banks.

SEC. 8. That the Secretary of the Treasury is directed to deposit with the cattle and products banks situated in the wheat-producing States all the profits that may remain on hand that are paid into the Treasury of the United States by the Grain Corporation, and said deposits shall be made in the same ratio as the amount of the wheat production of said States in 1918 shall bear to the aggregated production of wheat in the United States for said year.

SEC. 9. That the Secretary of the Treasury is hereby directed to deposit with the cattle and products banks, organized under this act for the temporary use of said banks, the sum of \$100,000,000 out of any money in the Treasury not otherwise appropriated. All of the sums thus temporarily advanced shall be returned to the Treasury of the United States with interest at the rate being paid by the United States upon its certificates of indebtedness at the time the temporary deposits are made.

SEC. 10. That the provisions of the Federal farm loan act, approved July 17, 1916, relating to joint-stock land banks, except in so far as they are in conflict with this act, shall, so far as applicable, be in effect in the administration of this act.

This system will take care of short-time loans for the farmer after he has harvested his crop and placed it in a licensed warehouse, enabling him to pay his loans contracted in the production of his crop, and the loans can only be made on products placed in the licensed warehouses. Under this bill relief can be granted to the cattle industry, and unless money is made available to enable cattlemen of the great Southwest to hold their stock cattle the beef supply of the United States will soon vanish. The farmer has great faith in mankind, because in the spring of the year he plants his crop without any knowledge as to what prices he will receive at harvest time, and as a result he has been made the victim of the speculators and demagogues, and at last he stands at bay and demands that political platforms be "to stand upon as well as to get in upon."

It is to be hoped that the continuance of the War Finance Corporation will at least give temporary relief to the present situation, and for one, I am willing to vote for any reasonable legislation that will help the farmer in his present distress.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WALSH. Mr. Chairman, I move to strike out the last three words. I am not a financial expert and, of course, am not competent to discuss the technicalities of this proposed legislation; but certain statements have been made by eminent gentlemen on this side of the aisle the effect of which I understood was that while perhaps this legislation would not accomplish very much of good, it certainly could do no harm. I think

that one harmful effect which will follow the passage of this legislation would be that the Congress will hold out to the country the precedent that if a sufficient clamor can be stirred up we will not hesitate to continue in effect measures which were enacted as a part of our war program, and I have not yet heard any reason stated or any argument made which satisfies me as to the duty of the Federal Government to come forward when the exigencies of war have passed and embark upon a legislative program such as this. It is in my opinion very close to that sort of legislation which is condemned with great strength and vigor, namely, class legislation.

We appreciate, of course, that conditions in the country are unsettled, but I fail to see how we can pass a resolution such as this when its most ardent advocates say that it probably may not accomplish the good desired, but that it certainly would do no harm. I believe the time has come for the Government to take its hand out of business of this sort and to let the economic rules once more prevail. I believe that to do this will create an artificial stimulation of prices and stop the ordinary course which is now tending toward a reduction in the cost of commodities to the consumer. During the last campaign the party in majority in this Congress promised to do everything it could to lower the cost of living. We are met with industrial depression in the industrial sections of the country. That depression will not be set aside by legislation such as this, because the goods that are made over yonder across the seas are coming into the market, and we can not start our factories manufacturing goods with the raw materials here for export, because we can not compete with them. Neither can we compete with them in our own markets, and I fear that if we establish this precedent that as time goes on and the new administration comes into power we will be met with demands that will make this sort of legislation seem mild in comparison to the requests for legislation to put the Government either into business or behind business of all sorts in order that conditions may be artificially stimulated.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. STRONG of Kansas. Mr. Chairman, I move that all debate upon this section and all amendments thereto be now closed.

The motion was agreed to.

The CHAIRMAN. The question now is on agreeing to the committee amendment.

Mr. WALSH. Does not the committee amendment first have to be reported?

The CHAIRMAN. It has been reported.

Mr. WALSH. But as I understand it, we are reading the bill by sections.

The CHAIRMAN. The Clerk will again report the committee amendment.

The Clerk read as follows:

Strike out all of section 2.

Mr. BLANTON. Mr. Chairman, I ask to be recognized against the committee amendment.

The CHAIRMAN. The resolution has been read in full and the motion has been made that all debate be closed, and it was agreed to, and the question now is on the committee amendment.

Mr. MADDEN. Why should there be objection to more debate?

The CHAIRMAN. The committee amendment has been read.

Mr. WALSH. Will the Chair advise the committee how, when the resolution is taken up for reading under the five-minute rule, two sections can be read and debated at the same time?

The CHAIRMAN. No one stopped the Clerk and asked for recognition at the conclusion of the reading of the first section, and, therefore, the Clerk proceeded and read the second section with the amendment thereto.

Mr. CAMPBELL of Kansas. That is just exactly what was done.

The CHAIRMAN. The question is on agreeing to the committee amendment.

The question was taken; and on a division (demanded by Mr. HARDY of Texas) there were—ayes 132, noes 20.

So the committee amendment was agreed to.

Mr. GARRETT. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GARRETT. When is the proper time to move to strike out the preamble? After the resolution has gone into the House?

The CHAIRMAN. After the resolution has gone into the House, the Chair believes.

Mr. STRONG of Kansas. Mr. Chairman, I move that the committee do now rise and report the joint resolution with an

amendment to the House, with the recommendation that the amendment be agreed to and the joint resolution as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. SNELL, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration Senate joint resolution 212, had directed him to report the same back to the House with an amendment, with the recommendation that the amendment be agreed to and that the joint resolution as amended do pass.

Mr. STRONG of Kansas. Mr. Speaker, I move the previous question on the resolution and amendment.

Mr. GARRETT. I believe that is ordered by the rule. The previous question is ordered by the rule on the resolution, but it is not on the preamble.

The SPEAKER. According to the rule the previous question is ordered on the joint resolution and amendments to final passage.

Mr. GARRETT. But not upon the preamble?

The SPEAKER. No; not upon the preamble.

Mr. MANN of Illinois. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MANN of Illinois. The previous question having been ordered under the rule, if the House adjourns now would this matter come up on Monday?

The SPEAKER. The Chair thinks so. The question is on agreeing to the amendment.

The question was taken, and the amendment was agreed to.

Mr. McFADDEN. Mr. Speaker, I move that the House do now adjourn. I withdraw that.

The SPEAKER. The question is on the third reading of the joint resolution.

The joint resolution was ordered read the third time.

The SPEAKER. The question is on agreeing to the preamble.

The question was taken, and the preamble was not agreed to.

The joint resolution was read the third time.

The SPEAKER. The question is on the passage of the resolution.

Mr. MONDELL. Mr. Speaker, I move that the House do now adjourn.

The question was taken, and the motion was rejected.

The SPEAKER. The question is on the passage of the resolution.

The question was taken, and the Speaker announced the ayes seemed to have it.

Mr. WINGO. Division, Mr. Speaker.

Mr. MADDEN. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 212, nays 61, answered "present" 1, not voting 157, as follows:

YEAS—212.

Almon	Dominick	Kearns	Oldfield
Anderson	Doremus	Keller	Oliver
Andrews, Nebr.	Doughton	Kelley, Mich.	Overstreet
Ashbrook	Dowell	Kettner	Padgett
Aswell	Drane	Kincheloe	Park
Ayres	Dupré	Kinkaid	Farrish
Bankhead	Eagle	Klecza	Pou
Barbour	Elliott	Knutson	Purnell
Barkley	Elston	Lampert	Quin
Bee	Esch	Lanham	Rainey, H. T.
Begg	Evans, Nebr.	Lankford	Rainey, J. W.
Black	Evans, Nev.	Larsen	Raker
Bland, Ind.	Fisher	Lazaro	Ramsey
Bland, Mo.	Fordney	Lee, Calif.	Ramseyer
Bland, Va.	Foster	Lee, Ga.	Randall, Calif.
Blanton	French	Linthicum	Randall, Wfs.
Boes	Gard	Little	Rayburn
Boix	Garner	Luhning	Reavis
Brand	Garrett	McArthur	Reed, W. Va.
Briggs	Goodwin, Ark.	McClintic	Ricketts
Brinson	Green, Iowa	McDuffie	Riddick
Brooks, Ill.	Hardy, Colo.	McKenzie	Robison, Ky.
Buchanan	Hardy, Tex.	McKeown	Rodenberg
Byrnes, S. C.	Harrelld	McLaughlin, Mich.	Rucker
Byrns, Tenn.	Harrison	McLaughlin, Nebr.	Schall
Campbell, Kans.	Hastings	Magee	Scott
Campbell, Pa.	Haugen	Major	Sears
Cantrill	Hayden	Mann, Ill.	Sells
Caraway	Hays	Mann, S. C.	Sherwood
Carss	Hernandez	Mansfield	Sims
Carter	Hickey	Mays	Sinclair
Clark, Mo.	Hoch	Michener	Sinnott
Classon	Holley	Miller	Sisson
Cleary	Holland	Milligan	Smith, Idaho
Cole	Huddleston	Monahan, Wis.	Smith, Ill.
Collier	Hudspeth	Mondell	Smith, Mich.
Connally	Hullings	Montague	Smithwick
Cramton	Hull, Iowa	Moore, Ohio	Steagall
Crisp	Humphreys	Moore, Va.	Stedman
Davis, Minn.	Jacoway	Mudd	Steenerson
Davis, Tenn.	Johnson, Miss.	Murphy	Stephens, Miss.
Denison	Johnson, Wash.	Nelson, Mo.	Stephens, Ohio
Dickinson, Iowa	Jones, Tex.	O'Connor	Stevenson

Stoll	Thomas	Vinson	Williams
Strong, Kans.	Thompson	Voigt	Wilson, La.
Summers, Wash.	Tillman	Volstead	Wilson, Pa.
Summers, Tex.	Timberlake	Watkins	Wingo
Sweet	Tincher	Weaver	Woods, Va.
Swindall	Towner	Webster	Woodyard
Swope	Upshaw	Welling	Wright
Taylor, Ark.	Vaile	Whaley	Young, N. Dak.
Taylor, Colo.	Venable	Wheeler	Young, Tex.
Taylor, Tenn.	Vestal	White, Kans.	Zihlman

NAYS—61.

Ackerman	Goodykoontz	Mapes	Strong, Pa.
Burroughs	Gould	Merritt	Tague
Cannon	Greene, Mass.	Minahan, N. J.	Temple
Chindblom	Greene, Vt.	Newton, Minn.	Tilson
Coady	Hicks	Newton, Mo.	Tinkham
Crowther	Houghton	Ogden	Treadway
Dale	Husted	Parker	Walsh
Dallinger	Juul	Peters	Walters
Dempsey	Kraus	Phelan	Ward
Dewalt	Lehlbach	Porter	Wason
Dunn	Luce	Reber	Watson
Eagan	Luftkin	Rogers	Wilson, Ill.
Echols	McFadden	Rose	Winslow
Fess	MacCrate	Sanders, N. Y.	
Glynn	MacGregor	Snell	
Good	Madden	Snyder	

ANSWERED "PRESENT"—1.

Dunbar

NOT VOTING—157.

Andrews, Md.	Ellsworth	Johnson, S. Dak.	Ostorne
Anthony	Emerson	Johnston, N. Y.	Paige
Bakka	Evans, Mont.	Jones, Pa.	Patterson
Bacharach	Fairfield	Kahn	Pell
Baer	Ferris	Kelly, Pa.	Perlman
Bell	Fields	Kendall	Radcliffe
Benham	Fish	Kennedy, Iowa	Rainey, Ala.
Benson	Flood	Kennedy, R. I.	Ransley
Blackmon	Focht	Kless	Reed, N. Y.
Booher	Frear	King	Rhodes
Bowers	Freeman	Kitchin	Riordan
Britten	Fuller, Ill.	Kreider	Robinson, N. C.
Brooks, Pa.	Fuller, Mass.	Langley	Romjue
Browne	Gallagher	Layton	Rouse
Brumbaugh	Gallivan	Leshner	Rowan
Burdick	Gandy	Loneragan	Rowe
Burke	Ganly	Longworth	Rubey
Butler	Godwin, N. C.	McAndrews	Sabath
Caldwell	Goldfogle	McCulloch	Sanders, Ind.
Candler	Goodall	McGlennan	Sanders, La.
Carew	Graham, Ill.	McKinley	Sanford
Casey	Graham, Pa.	McKinley	Scully
Christopherson	Griest	McLane	Shreve
Clark, Fla.	Griffin	McLeod	Siegel
Cooper	Hadley	McPherson	Slemp
Copley	Hamill	Maher	Small
Costello	Hamilton	Martin	Smith, N. Y.
Crago	Hawley	Mason	Steele
Cullen	Hersey	Mead	Stiness
Currie, Mich.	Hersman	Moon	Sullivan
Curry, Calif.	Hill	Mooney	Vare
Darrow	Howard	Moores, Ind.	Volk
Davey	Hull, Tenn.	Morin	Welty
Dent	Hutchinson	Mott	White, Me.
Dickinson, Mo.	Igoe	Neely	Wise
Donovan	Ireland	Nelson, Wis.	Wood, Ind.
Dooling	James, Mich.	Nicholls	Yates
Drewry	James, Va.	Nolan	
Dyer	Jeffers	O'Connell	
Edmonds	Johnson, Ky.	Olney	

So the joint resolution was passed.

The Clerk announced the following pairs:

On the vote:

Mr. BELL (for) with Mr. DUNBAR (against).

Mr. FLOOD (for) with Mr. ROWE (against).

Mr. LAYTON (for) with Mr. BACHARACH (against).

Until further notice:

Mr. BOWERS with Mr. NEELY.

Mr. KAHN with Mr. DENT.

Mr. BUTLER with Mr. STEELE.

Mr. RHODES with Mr. DICKINSON of Missouri.

Mr. FAIRFIELD with Mr. BOOHER.

Mr. ANTHONY with Mr. FERRIS.

Mr. JAMES of Michigan with Mr. CAREW.

Mr. LONGWORTH with Mr. KITCHIN.

Mr. DARROW with Mr. O'CONNELL.

Mr. BROWNE with Mr. HOWARD.

Mr. GRAHAM of Pennsylvania with Mr. IGOE.

Mr. DYER with Mr. SMALL.

Mr. SIEGEL with Mr. DONOVAN.

Mr. FISH with Mr. PELL.

Mr. LANGLEY with Mr. CLARK of Florida.

Mr. HILL with Mr. RIORDAN.

Mr. FREAR with Mr. BAKKA.

Mr. BROOKS of Pennsylvania with Mr. CASEY.

Mr. JOHNSON of South Dakota with Mr. JOHNSTON of New York.

Mr. HUTCHINSON with Mr. CANDLER.

Mr. BURDICK with Mr. MAHER.

Mr. STINESS with Mr. CULLEN.

Mr. KREIDER with Mr. DOOLING.

Mr. MASON with Mr. OLNEY.
 Mr. RANSLEY with Mr. GALLAGHER.
 Mr. EDMONDS with Mr. RUBEY.
 Mr. McLEOD with Mr. GRIFFIN.
 Mr. OSBORNE with Mr. MOON.
 Mr. SLEMP with Mr. HULL of Tennessee.
 Mr. BURKE with Mr. GODWIN of North Carolina.
 Mr. KING with Mr. McGLENNON.
 Mr. MOTT with Mr. FIELDS.
 Mr. CHRISTOPHERSON with Mr. LESHER.
 Mr. FOCHT with Mr. MARTIN.
 Mr. PERLMAN with Mr. ROWAN.
 Mr. MORIN with Mr. BENHAM.
 Mr. CURRIE of Michigan with Mr. JAMES of Virginia.
 Mr. ELLSWORTH with Mr. SCULLY.
 Mr. KIESS with Mr. McLANE.
 Mr. GRIEST with Mr. BENSON.
 Mr. HADLEY with Mr. GANDY.
 Mr. YATES with Mr. DREWRY.
 Mr. HERSEY with Mr. MEAD.
 Mr. WOOD of Indiana with Mr. HAMILL.
 Mr. VARE with Mr. DAVEY.
 Mr. IRELAND with Mr. MOONEY.
 Mr. SHREVE with Mr. HERSMAN.
 Mr. NOLAN with Mr. SANDERS of Louisiana.
 Mr. REED of New York with Mr. GOLDFOGLE.
 Mr. KENDALL with Mr. BLACKMON.
 Mr. JEFFERIS with Mr. CALDWELL.
 Mr. MOORES of Indiana with Mr. EVANS of Montana.
 Mr. GRAHAM of Illinois with Mr. GALLIVAN.
 Mr. KENNEDY of Rhode Island with Mr. GANLY.
 Mr. FULLER of Illinois with Mr. NICHOLLS.
 Mr. SANFORD with Mr. RAINEY of Alabama.
 Mr. VOLK with Mr. SMITH of New York.
 Mr. SANDERS of Indiana with Mr. WISE.
 Mr. PAIGE with Mr. McKINIRY.
 Mr. JONES of Pennsylvania with Mr. SULLIVAN.
 Mr. WHITE of Maine with Mr. SABATH.
 Mr. McPHERSON with Mr. McANDREWS.
 Mr. PATTERSON with Mr. ROMJUE.
 Mr. NELSON of Wisconsin with Mr. ROBINSON of North Carolina.
 Mr. RADCLIFFE with Mr. LONERGAN.
 Mr. KELLY of Pennsylvania with Mr. JOHNSON of Kentucky.
 Mr. HAWLEY. Mr. Speaker, I was standing just within the cloakroom door listening to the Clerk, but somebody distracted my attention, and I did not hear my name called when it was reached. Do I bring myself within the rule?
 The SPEAKER. Was the gentleman present when his name was called?
 Mr. HAWLEY. I was not exactly in the Hall. I was in the cloakroom listening. Some one distracted my attention and I did not hear my name called. I do not suppose I bring myself within the rule. I would like to have voted "yea."
 Mr. CURRY of California. Mr. Speaker, I was the one that distracted the attention of the gentleman from Oregon [Mr. HAWLEY]. We both wanted to vote, but I do not suppose we will be permitted to do so. I would vote "yea" if I could.
 The result of the vote was announced as above recorded.
 On motion of Mr. STRONG of Kansas, a motion to reconsider the vote by which the joint resolution was passed was laid on the table.

EXTENSION OF REMARKS.

Mr. BRIGGS, Mr. ALMON, Mr. PHELAN, Mr. BYRNES of South Carolina, Mr. SCHALL, Mr. KNUTSON, Mr. SMITH of Idaho, and Mr. PARRISH, by unanimous consent, were granted leave to extend their remarks in the RECORD on Senate joint resolution No. 212.

LEAVE OF ABSENCE.

By unanimous consent leaves of absence were granted as follows:

To Mr. VARE, indefinitely, on account of illness in family.

To Mr. HICKS, for Monday, on account of important business.

SENATE BILLS REFERRED.

Under clause 2, Rule XXIV, Senate bills of the following titles were taken from the Speaker's table and referred to their appropriate committees as indicated below:

S. 1302. An act for the relief of John H. Rheinlander; to the Committee on Claims.

S. 3031. An act to appropriate \$1,189.35 for the relief of Southern Iron & Metal Co., Jacksonville, Fla., for salvage material consisting of submarine cable purchased from the War Department; to the Committee on War Claims.

ADJOURNMENT.

Mr. McFADDEN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 15 minutes p. m.) the House adjourned until Monday, December 20, 1920, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

244. A letter from the chairman of the Federal Trade Commission, transmitting report of average number of employees receiving increased compensation; to the Committee on Appropriations.

245. A letter from the Secretary of the Navy, transmitting requested item of appropriation to reimburse Maj. Gen. Littleton W. T. Waller; to the Committee on Claims.

246. A letter from the Secretary of the Navy, transmitting recommendation for the repeal of section 1481 of the Revised Statutes in connection with the retirement of certain Navy officers; to the Committee on Naval Affairs.

247. A letter from the Secretary of the Navy, transmitting requested legislation in connection with retainer pay of members of the Naval Reserve Force; to the Committee on Naval Affairs.

248. A letter from the Secretary of the Treasury, transmitting supplemental estimate of appropriation to cover coal required by the National Museum, fiscal year 1921 (H. Doc. No. 932); to the Committee on Appropriations and ordered to be printed.

249. A letter from the Secretary of the Treasury, transmitting supplemental estimate of appropriation to cover expenses of the Interstate Commerce Commission, fiscal year 1921 (H. Doc. No. 933); to the Committee on Appropriations and ordered to be printed.

250. A letter from the Secretary of the Treasury, transmitting, from the Secretary of War, supplemental estimate of appropriation for the operation and maintenance of an electric pump for the memorial fountain recently installed in Dupont Circle, fiscal year 1922 (H. Doc. No. 934); to the Committee on Appropriations and ordered to be printed.

251. A letter from the Secretary of the Treasury, transmitting report of the director of savings division, Treasury Department, showing the number of publications issued by that division during the fiscal year 1920; to the Committee on Printing.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. FORDNEY, from the Committee on Ways and Means, to which was referred the joint resolution (H. J. Res. 415) extending the time for the payment of taxes under the act of February 24, 1919, reported the same with amendments, accompanied by a report (No. 1132), which said joint resolution and report were referred to the Committee of the Whole House on the state of the Union.

Mr. SNYDER, from the Committee on Indian Affairs, submitted a report (No. 1133) on Indians of the United States, field investigation, which said report was ordered printed and to lie on the table.

He also, from the same committee, to which was referred the bill (H. R. 15190) authorizing the Secretary of the Interior to issue patent to school district No. 9, Glacier County, Mont., for block 35, Browning town site, Blackfeet Indian Reservation, for school purposes, reported the same without amendment, accompanied by a report (No. 1135), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. ELLIOTT, from the Committee on Public Buildings and Grounds, to which was referred the bill (H. R. 14660) for the public sale of post-office site on the west side of South Main Street, in the city of Bethlehem, Pa., reported the same with an amendment, accompanied by a report (No. 1136), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. LANGLEY, from the Committee on Public Buildings and Grounds, to which was referred the joint resolution (H. J. Res. 411) authorizing the Secretary of the Treasury to enter into an agreement to lease or to execute lease for hospitals acquired or to be constructed by the State of New York or other States of the United States of America, for the care and treatment of beneficiaries of the Bureau of War Risk Insur-

ance, reported the same with an amendment, accompanied by a report (No. 1137), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 14778) granting a pension to Andrew J. Shepherd; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 15076) granting a pension to Elizabeth Kuhns; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. BLACK: A bill (H. R. 15217) for the apportionment of Representatives in Congress among the several States, under the fourteenth census; to the Committee on the Census.

By Mr. TAYLOR of Colorado: A bill (H. R. 15218) to add certain lands to the Durango National Forest, in the State of Colorado; to the Committee on the Public Lands.

By Mr. SINNOTT: A bill (H. R. 15219) to authorize the Commissioner of the General Land Office to dispose of certain trust funds in his possession; to the Committee on the Public Lands.

By Mr. VOIGT: A bill (H. R. 15220) providing for the extension and enlargement of the post-office building at Sheboygan, Wis.; to the Committee on Public Buildings and Grounds.

By Mr. CLASSON: A bill (H. R. 15221) providing for the extension and enlargement of the post-office building at Appleton, Wis.; to the Committee on Public Buildings and Grounds.

By Mr. SMITH of Idaho: A bill (H. R. 15222) to amend the act of May 22, 1920, providing for the retirement of employees in the classified service, and for other purposes; to the Committee on Reform in the Civil Service.

By Mr. JOHNSON of Washington: A bill (H. R. 15223) providing for the investigation and sale of timber on the Fort Columbia Military Reservation, in the State of Washington; to the Committee on Military Affairs.

By Mr. ROSE: A bill (H. R. 15224) authorizing the Secretary of War to donate to the city of Tyrone, Pa., two German cannon, fieldpieces, or other war trophies; to the Committee on Military Affairs.

By Mr. LEHLBACH: A bill (H. R. 15225) to provide for the classification of civilian positions within the District of Columbia and in the field services; to the Committee on Reform in the Civil Service.

By Mr. ZIHLMAN: A bill (H. R. 15226) providing for the election of delegates to the House of Representatives from the District of Columbia, Commissioners of the District of Columbia, a Public Utilities Commission, a Board of Education, and for other purposes; to the Committee on the District of Columbia.

By Mr. UPSHAW: A bill (H. R. 15227) to protect American citizens by preventing aliens from voting in the management of labor unions, industrial organizations, and for other purposes; to the Committee on the Judiciary.

By Mr. TINKHAM: A bill (H. R. 15228) providing for the placing of Government employees engaged in the enforcement of national prohibition under the civil service; to the Committee on Reform in the Civil Service.

By Mr. SHERWOOD: A bill (H. R. 15229) authorizing the Secretary of War to donate to the town of Oak Harbor, Ohio, one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 15230) authorizing the Secretary of War to donate to the town of Elmore, Ohio, one German cannon or fieldpiece; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 15231) granting an increase of pension to Matilda Smith; to the Committee on Invalid Pensions.

By Mr. BROOKS of Illinois: A bill (H. R. 15232) granting a pension to Callie Wofford; to the Committee on Invalid Pensions.

By Mr. DAVEY: A bill (H. R. 15233) granting a pension to Albert A. Marshall; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15234) granting a pension to Leonora E. Wright; to the Committee on Pensions.

Also, a bill (H. R. 15235) for the relief of Noah Huckins; to the Committee on Military Affairs.

By Mr. DRANE: A bill (H. R. 15236) granting an increase of pension to Ellen C. Giddens; to the Committee on Pensions.

By Mr. FIELDS: A bill (H. R. 15237) granting a pension to Nancy J. Mays; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15238) granting a pension to Lida Kibbe; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15239) granting an increase of pension to Louisa Helton; to the Committee on Invalid Pensions.

By Mr. FOSTER: A bill (H. R. 15240) granting a pension to Goldie D. Moore; to the Committee on Pensions.

Also, a bill (H. R. 15241) granting a pension to Mary Jane Howell; to the Committee on Invalid Pensions.

By Mr. FULLER of Illinois: A bill (H. R. 15242) granting an increase of pension to Mary Butler; to the Committee on Invalid Pensions.

By Mr. HAYS: A bill (H. R. 15243) granting an increase of pension to Peter N. Troutman; to the Committee on Pensions.

Also, a bill (H. R. 15244) granting a pension to Jesse A. Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15245) granting an increase of pension to Mary E. Emery; to the Committee on Invalid Pensions.

By Mr. JOHNSON of Washington: A bill (H. R. 15246) to change the retired status of Chief Pay Clerk R. E. Ames, United States Navy, retired; to the Committee on Naval Affairs.

By Mr. KELLEY of Michigan: A bill (H. R. 15247) granting an increase of pension to Emma C. Rogers; to the Committee on Invalid Pensions.

By Mr. MCKINLEY: A bill (H. R. 15248) granting an increase of pension to Mary McEvoy; to the Committee on Pensions.

By Mr. MAJOR: A bill (H. R. 15249) granting a pension to W. H. Hoback; to the Committee on Pensions.

By Mr. MANN of Illinois: A bill (H. R. 15250) granting an increase of pension to Henry N. Couden; to the Committee on Invalid Pensions.

By Mr. MEAD: A bill (H. R. 15251) granting a pension to Katherine Timlin; to the Committee on Pensions.

Also, a bill (H. R. 15252) granting a pension to Bridget Snody; to the Committee on Pensions.

Also, a bill (H. R. 15253) granting a pension to William J. Hines; to the Committee on Pensions.

Also, a bill (H. R. 15254) granting a pension to Mary L. Rupert; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15255) granting a pension to Jane N. Ashley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15256) granting a pension to Marion F. Forse; to the Committee on Pensions.

Also, a bill (H. R. 15257) granting a pension to Menora Sweetland; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15258) granting an increase of pension to George Plewacki; to the Committee on Pensions.

By Mr. PURNELL: A bill (H. R. 15259) granting an increase of pension to Lucinda Welch; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15260) granting a pension to Mary A. Rodman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15261) for the relief of Frederick Sparks; to the Committee on Military Affairs.

By Mr. REAVIS: A bill (H. R. 15262) granting a pension to Alice Haskins; to the Committee on Invalid Pensions.

By Mr. RIDDICK: A bill (H. R. 15263) for the relief of George Emerson; to the Committee on Claims.

By Mr. SELLS: A bill (H. R. 15264) granting a pension to Mary Crawford; to the Committee on Pensions.

By Mr. SLEMP: A bill (H. R. 15265) authorizing the President to appoint James G. C. Salyers to the position and rank of captain of Coast Artillery Corps in the United States Army; to the Committee on Military Affairs.

By Mr. TAYLOR of Tennessee: A bill (H. R. 15266) granting a pension to William Loy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15267) granting a pension to Stella Johnson; to the Committee on Pensions.

Also, a bill (H. R. 15268) granting an increase of pension to William Allen; to the Committee on Invalid Pensions.

By Mr. TREADWAY: A bill (H. R. 15269) authorizing the President to reinstate William Lloyd Wright as a lieutenant commander in the United States Navy; to the Committee on Naval Affairs.

By Mr. WILSON of Pennsylvania: A bill (H. R. 15270) for the relief of John R. Campbell; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

4600. By Mr. DYER: Petition of the John F. Scobee Lumber Co., favoring revision of the income-tax laws; to the Committee on Ways and Means.

4601. Also, petition of the Cole County (Mo.) League of Women Voters, favoring the Sheppard-Towner bill to aid maternity and infancy; to the Committee on Interstate and Foreign Commerce.

4602. Also, petition of the Travelers' Protective Association of America, of St. Louis, Mo., favoring legislation making the immigration laws more stringent; to the Committee on Immigration and Naturalization.

4603. Also, petition of the Travelers' Protective Association of America, urging amendment of the income-tax laws; to the Committee on Ways and Means.

4604. Also, petition of the Travelers' Protective Association of America, urging improvement of harbors and inland waterways; to the Committee on Interstate and Foreign Commerce.

4605. Also, petition of the St. Louis Assembly, Knights of Columbus, favoring Sherwood resolution for investigation of conditions in Ireland; to the Committee on Foreign Affairs.

4606. Also, petition of the Traffic Motor Truck Corporation favoring Patent Office relief legislation; to the Committee on Patents.

4607. Also, petition of H. Gatzert, favoring the Smith-Towner bill; to the Committee on Education.

4608. Also, petition of the Velie Automobile Co., of St. Louis, Mo., favoring increased appropriation for the Bureau of Foreign and Domestic Commerce; to the Committee on Appropriations.

4609. Also, petition of Emil E. Brill, jr., of St. Louis, Mo., favoring enactment of the Smith-Towner bill; to the Committee on Education.

4610. Also, petition of the Engineers Club of St. Louis, Texas section, opposing the passage of the Smith bill (H. R. 12466); to the Committee on the Public Lands.

4611. By Mr. ESCH: Petition of the First Baptist Church of Madison, Wis., favoring the continuation of the Volstead Act and opposing the plan recommended by the Federal grand jury of the eastern Wisconsin district; to the Committee on the Judiciary.

4612. By Mr. FULLER of Illinois: Petition of the Haddorff Piano Co., of Rockford, Ill., favoring the Nolan Patent Office bill (H. R. 11984); to the Committee on Patents.

4613. Also, petition of the Mendelssohn Club, of Rockford, Ill., and the Rockford Chapter, Daughters of the American Revolution, favoring the Sheppard-Towner maternity bill (H. R. 10925); to the Committee on Interstate and Foreign Commerce.

4614. Also, petition of Capt. William H. Maxwell, Fitzsimons Chapter, Fitzsimons Hospital, Denver, Colo., favoring bill for the retirement of disabled emergency officers of the Army; to the Committee on Military Affairs.

4615. By Mr. MOON: Papers to accompany bill (H. R. 14928) for the relief of the heirs of Robert E. L. Rogers; to the Committee on War Claims.

4616. By Mr. O'CONNELL: Petition of the Chamber of Commerce of the State of New York and The Bronx Board of Trade, of New York, favoring daylight-saving law in the eastern-time zone; to the Committee on Interstate and Foreign Commerce.

4617. By Mr. RANDALL of Wisconsin: Resolution of the Chamber of Commerce of Beloit, Wis., requesting the repeal of the excess-profits tax law and the passage of an internal-revenue law providing for a sales tax; to the Committee on Ways and Means.

4618. By Mr. ROWAN: Petition of The Bronx Board of Trade and Cushman & Denison Manufacturing Co., favoring daylight-saving law in the eastern-time zone; to the Committee on Interstate and Foreign Commerce.

4619. By Mr. SINCLAIR: Petition of the Tuesday Improvement Club, of Garrison, N. Dak., urging the passage of the Sheppard-Towner maternity bill; to the Committee on Interstate and Foreign Commerce.

4620. Also, petition of the Tuesday Improvement Club, of Garrison, N. Dak., opposing legislation permitting private interests to use the waters of our national parks; to the Select Committee on Water Power.

4621. By Mr. TAGUE: Petition of the Kistler Leather Co., of Boston, Mass., favoring the passage of House bill 7204, regarding the development of trade in China; to the Committee on Foreign Affairs.

4622. Also, petition of Mr. H. C. Doggett, civil engineer, of Boston, Mass., and Mr. Allan V. Garrett, of Boston, Mass., regarding the measuring of the flow of streams and the development of water power; to the Select Committee on Water Power.

4623. By Mr. TAYLOR of Colorado: Petition of citizens of Leadville, Colo., and vicinity, urging extension of time in which to perform mining assessment work for this year until July 1, 1921; to the Committee on Mines and Mining.

4624. By Mr. TAYLOR of Colorado: Petition of the board of county commissioners of Routt County, Colo., urging the passage of Senate bill 3982; to the Committee on Roads.

4625. Also, petition of the Society of the Sons of the Revolution, of Colorado, regarding immigration to the United States; to the Committee on Immigration and Naturalization.

4626. Also, petition of sheep and wool growers of Montezuma County, Colo., urging import tariff duty on mutton and wool; to the Committee on Ways and Means.

4627. Also, petition of the Uncompahgre Valley Cattle and Horse Growers' Association, of Montrose, Colo., protesting against the passage of the proposed increase in grazing fees in national forests; to the Committee on Agriculture.

4628. By Mr. YATES: Petition of J. D. Hollingshead Co., Chicago, Ill., urging the passage of 1-cent drop-letter postage; to the Committee on the Post Office and Post Roads.

4629. Also, petition of the Marshall Field & Co., of Chicago, Ill., by W. H. Mann, general manager, urging that the great need of Alaska is the development of a constructive policy by our Government to make possible the utilization of her rich natural resources in creating local industries and developing a permanent population of home builders; to the Committee on the Territories.

4630. Also, the following petitions protesting against the Smith bill (H. R. 12466) and amending the Federal water power act: George R. Roberts, Chicago; Anna Jaderholm, Chicago; Miss Jessie R. Knowles, Chicago; and the River Forest Women's Club, of River Forest, all of the State of Illinois; to the Select Committee on Water Power.

SENATE.

MONDAY, December 20, 1920.

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we come to Thee after the sacred and hallowed influences of the Sabbath day as we begin our new week of work. We thank Thee that Thou didst give to us in Thy divine providence a day that is hallowed by such sacred memories, and that brings us back, week by week, to the old associations and the blessed influences of child life. We thank Thee for the emphasis that Thou dost put upon the ministry of the Sabbath Day by continuing it as a holy institution through the years, giving to us an opportunity to worship God and to serve our fellow men. We pray that we may bring to the service of this day the influences of the Sabbath, and that we may remember if we are to be right toward our fellow man we must first be right toward God. Grant us the holy influence of Thy presence as we address ourselves to the tasks of a new day. For Christ's sake. Amen.

The reading clerk proceeded to read the Journal of the proceedings of the legislative day of Thursday, January 16, 1920, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

PUBLICATIONS OF THE DEPARTMENT OF AGRICULTURE.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of Agriculture, transmitting, pursuant to law, a statement showing the number of publications issued by the Department of Agriculture during the fiscal year ended June 30, 1920, which was referred to the Committee on Printing.

CREDENTIALS.

The VICE PRESIDENT laid before the Senate a certificate of the governor of Idaho, certifying to the election of Frank R. Gooding as a Senator from that State for the term of six years, beginning March 4, 1921, which was read and ordered to be filed, as follows:

STATE OF IDAHO,
Department of State.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 2d day of November, 1920, FRANK R. GOODING was duly chosen by the qualified electors of the State of Idaho a Senator from said State to represent said State in the Senate of the

United States for the term of six years, beginning on the 4th day of March, 1921.

Witness his excellency our governor, D. W. Davis, and our seal hereto affixed at Boise City, the capital of Idaho, this 3d day of December, in the year of our Lord 1920.

[SEAL.]

By the governor:

Attest:

D. W. DAVIS, Governor.

ROBERT O. JONES,
Secretary of State.

The VICE PRESIDENT laid before the Senate a certificate of the governor of Iowa, certifying to the election of ALBERT B. CUMMINS as a Senator from that State for the term of six years beginning March 4, 1921, which was read and ordered to be filed as follows:

STATE OF IOWA,
Executive Department.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 2d day of November, 1920, ALBERT B. CUMMINS was duly chosen by the qualified electors of the State of Iowa a Senator from said State, to represent said State in the Senate of the United States for a term of six years, beginning on the 4th day of March, 1921.

In testimony whereof, I have hereunto set my hand and caused to be affixed the great seal of the State of Iowa.

Done at Des Moines, Iowa, this 16th day of December, 1920.

[SEAL.]

By the governor:

W. T. HARDING, Governor.

W. C. RAMSAY,
Secretary of State.

The VICE PRESIDENT laid before the Senate a certificate of the governor of Kansas, certifying to the election of CHARLES CURTIS as a Senator from that State for the term of six years, beginning March 4, 1921, which was read and ordered to be filed, as follows:

CERTIFICATE OF ELECTION.

STATE OF KANSAS,
Executive Department.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 2d day of November, 1920, CHARLES CURTIS was duly chosen by the qualified electors of the State of Kansas a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 4th day of March, 1921.

Witness his excellency our governor, Henry J. Allen, and our seal hereto affixed at Topeka, Kans., this 13th day of December, in the year of our Lord 1920.

[SEAL.]

By the governor:

HENRY J. ALLEN, Governor.

L. J. PETTITJOHN,
Secretary of State.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House had passed, with amendments, the joint resolution (S. J. Res. 212), directing the War Finance Corporation to take certain action for the relief of the present depression in the agricultural sections of the country, and for other purposes, in which it requested the concurrence of the Senate.

The message also announced that the House had passed a bill (H. R. 15130) making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1922, and for other purposes, in which it requested the concurrence of the Senate.

The message further announced that the House disagrees to the amendments of the Senate to the bill (H. R. 13931) to authorize association of producers of agricultural products, agrees to the conference asked for by the Senate on the disagreeing votes of the two Houses thereon, and had appointed Mr. VOLSTEAD, Mr. GRAHAM of Pennsylvania, and Mr. SUMMERS of Texas, managers at the conference on the part of the House.

The message also announced that the House had passed the bill (S. 4565) extending the time for the doing of annual assessment work on mining claims for the year 1920 to and including July 1, 1921.

ENROLLED BILL SIGNED.

The message further announced that the Speaker of the House had signed the enrolled bill (S. 4526) to amend section 501 of the transportation act, 1920, and it was thereupon signed by the Vice President.

PETITIONS AND MEMORIALS.

Mr. WARREN. Mr. President, the extreme condition, in fact, the crushing condition of the market, or almost no market for wool, sheep, beef, and mutton brings me a great many petitions in the form of telegrams and otherwise. I have in my hands 15 or 20 of the briefest, which I am going to ask to have noted in the RECORD, but not extended. I wish to quote a few words from one or two for the RECORD, as they will show the nature of the others. They not only come from Wyoming, but from other States as well. Here is one from one of the largest farmers' feeding associations in the country, located in Colorado, which says:

The Sheep Feeders' Association of Northern Colorado, representing the owners of nearly 2,000,000 head of sheep being fed for market in northern Colorado, urge that everything be done that possibly can be